JPRS 77265

28 January 1981

Latin America Report

No. 2243

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS 77265

28 January 1981

LATIN AMERICA REPORT

No. 2243

CONTENTS

ENERGY ECONOMICS

INTER-AMERICAN AFFAIRS

Canada's 1979 Exports to Region Reported
(ADVOCATE-NEWS, 13 Jan 81)..... 1

ARGENTINA

State, Private Firms Increase Their Role in YPF Activities
(LA PRENSA, 13 Dec 80)..... 3

YPF Reports Accomplishments, Near Self-sufficiency Levels
(LA PRENSA, 13 Dec 80)..... 6

BOLIVIA

Briefs
Metal Exports 9

MEXICO

Farias Discusses Effects of Oil Income on Nation
(Luis M. Farias Interview; EXCELSIOR, 15, 16 Dec 80)..... 10

VENEZUELA

Plan VI Strategy for Orinoco Development Detailed
(Victor Moreno Cova; EL UNIVERSAL, 19 Dec 80)..... 23

PEQUIVEN Sets Aluminum Sulfate Record in 1980
(EL DIARIO DE CARACAS, 18 Dec 80)..... 25

Briefs
LAGOVEN Transport Fleet 27

COUNTRY SECTION

INTER-AMERICAN AFFAIRS

Uruguayan Citizen Charges Government Torture
(AFP, 22 Dec 80)..... 28

Briefs
OAS, Businessmen Sign Agreement 30

ARGENTINA

Decision on Refurbishing of Political Parties Awaited
(J. Iglesias Rouco; LA PRENSA, 21 Dec 80)..... 31

Peronist Revitalization, UCR Links Generate Political Concern
(LA PRENSA, 26 Dec 80)..... 34

Ministerial Reorganization, Appointments Reviewed
(LA NACION, 24 Dec 80)..... 37

Paper Scores Measure Prohibiting Right of Assembly
(Editorial; LA PRENSA, 13 Dec 80)..... 40

Briefs
Ambassador's Resignation 42

BRAZIL

Workers Leader Leaves for Europe, May Meet Walesa
(Sao Paulo Radio Bandeirantes Network; 15 Jan 81)..... 43

Briefs
Earth Tremor 44

EL SALVADOR

Proclaimed Pluralism of FDR Termed Fraudulent
(Editorial; LA NACION, 22 Dec 80)..... 45

Ungo Explains Formation of Government in Exile
(Guillermo Ungo Interview; EL DIARIO DE CARACAS, 22 Dec 80).. 47

Ineffectiveness of Salvadoran Junta Criticized
(PRENSA LIBRE, 18 Dec 80)..... 49

GRENADA

Prime Minister Holds Press Conference
(Havana Domestic Service, 26 Dec 80)..... 51

GUADELOUPE

More Terrorist Bombings, Police Seek Perpetrators
(LE MONDE, 7-8 Dec 80)..... 52

Causes of Terrorism, Editorial
Plastic Charges Set Off, by Dominique Pouchin

PARAGUAY

Columnist Focuses on Indian Plight
(Alcibiades Gonzalez Delvalle; ABC COLOR, 11 Jan 81)..... 55

SURINAME

Socialists Divided on Future Course for Country
(Sig W. Wolf; ELSEVIERS MAGAZINE, 1 Nov 80)..... 57

VENEZUELA

COPEI Official Evaluates 1980 Foreign Policy
(Leopoldo Castillo Interview; EL DIARIO DE CARACAS, 28 Dec 80) 60

Herrera Administration's Past, Future Evaluated
(Miguel Rodolfo Blanco; EL DIARIO DE CARACAS, 26 Dec 80)..... 65

Briefs
Arms Seized at Maiquetia Airport 69

CANADA'S 1979 EXPORTS TO REGION REPORTED

FL152020 Bridgetown ADVOCATE-NEWS in English 13 Jan 81 p 2

[Text] Despite an erosion of Canada's market share in the Caribbean (from nine percent in 1970 to five percent in 1979) Canadian exports to the Caribbean common market increased from Can$89 million in 1971 to $257 million in 1979.

The 1979 figure was an increase of Can$88 million over 1978, according to a communique issued here yesterday by Canada's external affairs department.

Canadian imports from Caricom in the period 1971 to 1978 also saw an increase. They increased from $91 million to $138 million before slipping back to $113 million in 1979 and suffered a further decline of 21 percent in the first half of 1980, the communique said.

It stated that the largest increase in bilateral trade between Canada and a Caribbean country was with Trinidad and Tobago, where Canadian exports increased as high as 81 percent. This amounted to some Can$129.8 million.

In addition to agricultural commodities accounting for one third of Canada's exports to Caricom, Canada sells a wide range of semi-manufactured goods and manufactured goods to countries in the region.

The export of semi-manufactured goods totalled 25 percent in 1978, the communique said. The manufactured goods, such as telecommunications equipment and machinery totalled 31 percent, it said.

It noted that in recent years the sale of consulting services to the Caricom markets has become a noticeable feature of Canada's trade effort in the Caribbean, reaching a level of $18 million in 1978.

"Apart from the loss of tariff preferences for Canadian exporters to Caricom markets, the major development affecting Canada-Caricom trade in recent years have been the increasing import restrictions imposed by Jamaica and Guyana and to a lesser degree, Barbados," it said.

The External Affairs Department found that this was to counter deteriorating balance of payments positions and the emergence of Trinidad as a financially strong country as a result of its oil and gas resources.

The report said that the result has been an absolute decline in Canadian exports to Guyana for the period 1976 to 1978, a relative decline in Jamaica's position as a market for Canadian exports and the emergence of Trinidad and Tobago as the country's largest Caricom market. This position was traditionally held by Jamaica.

On the matter of the declining Canadian imports from the Caribbean, Canada called this a trend mainly determined by fluctuating sales of bauxite to Canada from Guyana, alumina and sugar from Jamaica; and petroleum products from Trinidad and Tobago.

It was noted too that the rapid growth of Canadian tourism to the Caribbean was of significant importance. "It has become an important exchange earner for Caricom."

The report said that while major traditional exports of Caricom had shown sharp fluctuations, that exports of less important non-traditional items. (e.g. sporting equipment, cereal preparations, vegetables and fruits, clothing and household goods) rum and cocoa have grown steadily in the past decade.

Items traditionally exported to Canada include aluminum ores, oil products and sugar.

A major competitive advantage for Caricom it said was the preferential access to the Canadian market which the member-states of Caricom enjoy under the British preferential tariff (BPT), and Canada's general preferential tariff (GPT).

But it was disclosed that the margins of such preferences will in some measure be eroded as a result of reductions in the most favoured nation (MFN) tariff rates agreed upon in recent multilateral trade negotiations.

Another significant factor, it said, was that in 1978, a peak year for Caricom exports to Canada, 82 percent of Caricom countries exported to the Canadian market duty free. The costs, said the report were covered by a CPT and BPT.

It meant that over 98 percent of Caricom exports to Canada benefitted from either duty free treatment or preferential access.

CSO: 3025

STATE, PRIVATE FIRMS INCREASE THEIR ROLE IN YPF ACTIVITIES

Buenos Aires LA PRENSA in Spanish 13 Dec 80 Sec 2 p 4

[Text] At the Argentine Oil Institute luncheon held in the Plaza Hotel, engineer Jose Alberto Suarez Lynch, president of that organization, and engineer Daniel Brunella, Argentine energy secretary, discussed national oil activity.

Engineer Lynch pointed out that real expansion has occurred in the energy sector in the last 4 years and, especially in the oil industry, there have been significant changes. He enumerated them as follows: important participation of the private sector in extractive and exploratory activities; reorganization of state enterprises; substantial expansion of proven gas reserves in the country; and maintenance of oil reserves at levels compatible with the predictable medium-term demand for fuels.

Technological Renovation

He stated: "If our present problem is to strengthen the hydrocarbon production structures in the state and private sector, desired production goals can perhaps be achieved without complete technological renovation. However, this can be done only by paying a price that is incompatible with the demands for profitability of industry in the international market today." He continued: "The country cannot again pay the price of technological ostracism in an industry whose effect on the energy sector and on the national economy as a whole conditions the development of our society."

Costs and Investments

He added:

"As coordinator of the many factors that contribute to the dynamics of the industry, the state cannot ignore the fact that the costs of the industry are not compensated by the officially recognized prices. The price system which ignores the time of discovery and the composition of the retainers in consumer prices should be analyzed. This situation should be corrected for two reasons. The first is that it will be impossible to obtain massive input of capital and experience that our oil industry needs today--through the efforts of the state enterprise as well as private enterprises--if their investments are not insured by the margins of profitability that the productive process requires. The second is that not recognizing the real price of the product means mortgaging the future which can negatively condition

any economic reconstruction process." He concluded: "Perhaps the time has come to consider the premises of a positive and real free economy in the oil sector."

Finally, he announced that the First National Hydrocarbon Congress will be held in November 1982 commemorating the 75th anniversary of the discovery of oil.

Engineer Brunella

The energy secretary said: "The program outlined in December 1977 is being carried out in all its main aspects." He stated: "On our oil map, the original chromatic uniformity has been replaced by multicolored indicators that show the presence of many national and foreign companies with risk or exploitation contracts."

Financial Limitations

He continued: "We believe that the road we have sketched is being taken at a speed that can frighten some people or draw criticism from others. We have already explained at many forums that there is no chance of paying for the hydrocarbon plan with only public investments."

Risk Contracts

"The risk contracts which were conceived to accelerate hydrocarbon exploration throughout the country respond to the desire to quantify our reserves. With this knowledge, we can define an overall energy policy as we have done in the electrical energy generation and transmission sector by knowing the size of hydraulic and uranium resources."

Oil Prices

Then he stated:

"We are all aware of the supposedly excessive payments YPF made to contractors who extract oil. Our secretariat has also received requests from some contractors for higher prices per cubic meter than those in the literal application of the contracts signed with YPF.

"Even in the case of known deposits with some records of recovery per well, type of formation, etc., the calculations always include the possibility of risks, whether in the final behavior of the deposit or in the evaluation of unforeseen events. Therefore, those who are awarded exploitation contracts will have higher or lower profits or might even have losses if their projects and investments do not have the expected response." He said: "I want you to understand that it is not easy to solve the problems of those who suffer losses under freely signed contracts. We will carefully analyze all the cases presented in order to resolve them within existing legal norms."

Energy Achievements

Lastly, engineer Brunella summarized government action in the energy area:

"National oil production rose to 80,000 cubic meters per day without decreasing the reserve-production relationship.

"Gas reserves tripled. The gas from Tierra del Fuego reaches the entire country and the first toll gas pipeline (Centro-Oeste) is under construction.

"There have been calls for bids for exploration, development and secondary recovery areas.

"Refineries are being constructed, expanded and modernized.

"The hydrocarbon policy has been adapted to the most abundant resource, natural gas. The energy future is being planned on technical-economic bases.

"Self-sufficiency is not yet a sure thing but the volume of reserves is being quantified to insure an abundant long-term supply of energy. Special attention is being given to the conservation or efficient use of energy.

"In addition to all this, continuity in the energy policy and institutional stability are the best guarantees to increase the flow of private capital--both national and foreign--to the level needed for the development of our activities."

7717
CSO: 3010

YPF REPORTS ACCOMPLISHMENTS, NEAR SELF-SUFFICIENCY LEVELS

Buenos Aires LA PRENSA in Spanish 13 Dec 80 p 11

[Text] According to top officials of YPF [Government Oil Deposits], the salient features of the enterprise during the present year were as follows:

Oil production from January to October 1980 was about 4 percent higher than production in the same period in 1979. A record level of daily extraction for this period was achieved: 76,535 cubic meters per day.

From January to October, 540 wells were drilled in YPF areas and the yield of the enterprise's equipment increased by 16.9 percent compared to the same period in 1979. In October 1980, the highest yield in recent times was reached: 2,583 meters per machine.

With regard to exploratory work in this period, there were 30 percent more kilometers of seismic land lines and 67 percent more seismic positions compared to the same period in 1979.

In the first 6 months of 1980, oil reserves increased slightly compared to existing reserves on 31 December 1979 even though extraction increased. Gas reserves increased by more than 51 billion cubic meters.

In oil processing, there was the highest yield of light products achieved in the organization's refineries. Regular gasoline increased about 5 percent, premium gasoline about 13 percent and kerosene by more than 10 percent.

As to imports, the crude oil required to meet the needs of the country in 1980 were purchased on the spot market and contracts were signed with Saudi Arabia and Iraq at OPEC prices. This will mean a noticeable savings in foreign currency.

The closeness of hydrocarbon self-sufficiency is expressed in the fact that, from January to October of this year, the difference between imports and exports of oil and derivatives was a net expenditure of about $220 million compared to $510 million invested in the same period in 1979. This year, YPF exported gas oil for the first time in the history of the country.

As to new products, in 1980 YPF launched a line of machine housing lubricants--"Ultramovil con Modificador de Friccion"--on the market; in only 6 months the

initial predictions of demand in the areas with the largest automobile concentration doubled. The organization also successfully penetrated the international marine lubricant market with an agreement with the French company ELF according to which YPF will process this line locally, using its own base lubricants and ELF additives.

A great increase in private oil activity was noted. One sign of this is the exploration for hydrocarbons under risk contracts. Already 15 areas of exploration (including Southern Area I) have been awarded; seven are offshore areas and eight are on land. They total more than 100,000 square kilometers.

The enterprise's 1980 budget included investments of $1.5 billion; the largest amount is concentrated in exploration and production areas. The most advanced technology was incorporated in order to reduce costs and increase the possibility of discovering hydrocarbons.

In this sense, the private sector irrevocably committed a minimum of $340 million in investments for the first period of exploration. That investment has already begun and should be completed in the next 3 years. In the production areas operated by private enterprises, more than $1.2 billion has been invested from 1977 to 1980 with a subsequent increase in production.

Comodoro Rivadavia, cradle of Argentine oil, is one of the main production centers.

Also investments at refineries will have achieved greater efficiency in processing crude oil and increased the use of heavy residues (fuel oil) to obtain light or intermediate oils. Improvements made in the main pumping plants and pipelines led to a 50-percent reduction in loading times, decreasing costs and increasing speed in delivery.

The renovation of the supply fleet, the installation of volumetric meters in the plants and the overall modernization of the service station network are also important.

There were also investments in oil transportation with the incorporation of two 60,000 TPB tankers and other projects that increase oil transportation, loading and unloading capacity.

Next year there should be new efforts to improve the enterprise, especially to continue increasing production in order to close the gap between imports and exports of hydrocarbons in search for self-sufficiency.

In the last 4 years, YPF reduced the number of its administrative workers from 51,761 to less than 34,000. This meant a significant change in the composition of its human resources, considerably reducing the number of administrators and management and increasing the number of technicians and professionals. At the same time, there were substantial improvements in the wage scales, especially at the professional and scientific management level.

Argentina today has proven oil reserves of 907 million cubic meters. In the last 2 years, there was important progress in the calculation of the volume of gas reserves which were estimated at 650 billion cubic meters. It should be stated that, by adding the caloric capacity of both fuels, Argentina could be one of the top 20 nations in the world in hydrocarbon reserves.

7717
CSO: 3010

BRIEFS

METAL EXPORTS--Bolivian metal exports during the period January through October 1980 totaled $541,275,035. Out of this amount, the National Smelting Enterprise [ENAF] was responsible for 42 percent, the Mining Corporation of Bolivia [COMIBOL] 36 percent, medium-size mining companies 10 percent, small mining companies 10 percent and other exporters 2 percent. [PY140232 La Paz Radio Illimani Network in Spanish 0100 GMT 14 Jan 81]

CSO: 3010

FARIAS DISCUSSES EFFECTS OF OIL INCOME ON NATION

Mexico City EXCELSIOR in Spanish 15, 16 Dec 80

[Interview with Luis M. Farias, chairman of the Grand Commission of the Chamber of Deputies, by Raul Olmedo; date and place not given]

[15 Dec 80, Sec A pp 1, 17, 18]

[Text] The chairman of the Grand Commission of the Chamber of Deputies, Luis M. Farias, observed that Mexico has a promising future, but its economic and social situation will probably become worse before it finally improves; noting that the country's main problem lies in how to achieve economic balance and satisfactory social development, and how to direct national political activity without obstacles. He declared: "This is the major task confronting the Lopez Portillo regime."

In an extensive interview, the Chamber leader also gave assurance that the political reform represents an irreversible process. He said that to deny the political progress means succumbing to "unwarranted discouragement," remarking that the country is receiving too much money for oil, "and we don't yet know what to do with it." He indicated that the chief executive is concerned over the fact that we cannot avoid inflation, which has struck the nonwage earners very harshly.

Following is the interview with the legislative leader:

Raul Olmedo: In your opinion, what is new in the Chamber of Deputies since the political reform?

Luis M. Farias: For many years, we in the Chamber had had several political parties present, but there was not sufficient openness, and it was thought that there was a need, so to speak, for "pigeonholes" in which all the types of thinking among Mexicans could be placed. There was a series of groups, some organized and others not organized, but they represented trends of opinion which were not recognized as parties and which therefore did not participate in the political contests and did not have access to the Chamber of Deputies. The political reform promoted by President Lopez Portillo allowed seven parties instead of four to participate in the last elections in 1979; in other words, three new parties, one of which was particularly radical, namely the Communist Party, a party which had been acting with clandestine status, and which came out in the open, was able to register, participated in the elections and, to the surprise of many, won votes that, although on the whole represented a small minority, but nevertheless expressed the views of

a substantial number of people who, though their opinions were not the same as those of others, it was thought should at least be represented in the Chamber. Because people do not always vote only for the party with which they sympathize. There are many (and I have talked to people who have told me this) who at times even vote against their convictions, because they consider it necessary for other parties to participate, so as to act as moderating factors; because we in Mexico have traditionally had too strong a majority party together with others which were too weak. For this reason, so that those parties might participate, and considering them more aggressive, or because they hoped that they would be more aggressive, they voted for them. The actual fact is that they are in a leftist coalition. Also included therein is the Socialist Workers Party of the left, which has been a very aggressive group during this regular period of sessions, as well as the Communist Party; and there is the Mexican Democratic Party, which has a background associated with synarchism and which therefore is considered as being of the extreme right.

Such are the very individual features of these three new parties. Now then, what does the presence of those three new parties in the Chamber mean to the parties already in existence? In my opinion, their presence is a spur goading all the traditional parties, whether it be ours, the Institutional Revolutionary Party, the National Action Party, the Authentic Party of the Mexican Revolution or the Popular Socialist Party: parties which have already spent several terms coexisting in the Chamber and which now feel obliged to become better prepared and better documented, to participate with greater determination in all the discussions and in the study of proposals, and to submit proposals of their own, with more decisive features, if you will. So this new phenomenon is, indeed, an inevitable strengthening of the democratic processes in the country.

The immediate result of the political reform, the first step that was taken, is the law known as LOPPE [expansion unknown], the first real, concrete product of which is this new Chamber of Deputies, this 51st Legislature, which in turn has already produced a series of reforms to the state laws and participation by other parties in both the Chambers which constitute the state legislatures and in the municipal organizations of many of our countries leading cities. But the most visible accomplishment, which is more within reach and perhaps the most significant, is the Chamber of Deputies of the 51st Legislature.

Now then, the president promoted this political reform in a very timely manner, because political reforms are not made for fun, nor for amusement; they are made as a response to the reality of political activity; they are responses to the realities which the society is already evincing. The president took into consideration the fact that Mexico is a country which has grown a great deal and has matured fast in recent years as a result of its own growth; and that, therefore, it was essential to adopt a measure that would offer an outlet for the social pressures, because otherwise those pressures could readily degenerate into futile violence and upheaval. The president thought that, with the political reform, the democracy would be strengthened, we would be taught to coexist and we would be able to find new formulas. Thus, the political reform that became a reality with the LOPPE law, and that is now in effect in the Chamber of Deputies, is really an irreversible process. When firm, resolute steps are taken toward the strengthening of democracy, it is very difficult to turn backwards.

RO: You say that the political reform was a response to the reality and to social pressures which might degenerate into futile violence. To what precisely are you referring?

LMF: I am referring to the fact that there has been dissatisfaction; I am referring to the fact that there were many groups growing every day and becoming vociferous precisely because they lacked formal channels and legal processes for expressing their views and participating. There was one evident fact: A growing number of Mexicans of one persuasion or another felt excluded from political activity, and were trying to convert themselves into strong pressure groups, and were in fact doing so. And hence it was preferable, instead of letting them be merely pressure groups lacking in legal status, which might lead them to agitation in the streets, that they be given an outlet enabling them to become integrated in the vital process of the advancement of a country which wants to be increasingly democratic.

RO: Do you think that this objective has been met?

LMF: I think that a very important step has been taken. To claim that it has been totally fulfilled would mean putting us in the realm of a utopia; to claim that we have not progressed, and that there has been no political reform, as the spokesmen for certain parties seem to have stated in the press, is an exaggeration, and succumbing to the other extreme, to discouragement, and an unwarranted discouragement. There is the Chamber of Deputies, which is a reality. The freedom that exists is a reality; the participation that exists is a reality; the fact that many of the proposals submitted by the executive branch last year have been modified is a reality. When the members of the commissions modified many of the bills, the opinions submitted by the commissions were also modified, and that was done in the meeting hall, during the open discussion in the assembly itself. All this is a combination of realities that cannot be denied and that are obvious; although, of course, to claim that we have it made, or that everything is perfect, would be an exaggeration, and I am not an advocate of that.

The Economic Situation

RO: In your opinion, are the economic causes which underly the social pressure and the political alienation tending to decline or to become more acute?

LMF: I believe that they are tending to decline, but there is an English saying which claims that "things will become worse before they become better." This holds true for illnesses and any crisis. An unbalanced, unsatisfactory economic situation is an illness; so it is likely that this illness will become worse before it becomes better. But I am very confident that we are on the right path.

The economic, social and political situation is probably the etiology, or the underlying cause of the tensions that exist, which have prompted undertaking political reform as a means of easing those tensions and intensifying the democratic process in the country. Many of those causes exist and subsist, but I think that the future is promising, and I view it with a great deal of hope. I think that there are grounds for such hope, although that does not mean that matters have been settled either. We still must face very serious economic problems, problems of a cultural nature that have not yet been solved, and problems of a social and political nature that have not

been surmounted. And all this must cause dissatisfaction, displeasure, discontentment and tensions. I believe that the series of measures and provisions that the present government has enacted is correct; although we shall not see their positive results immediately. We now have solutions which we lacked previously; nevertheless, those solutions and the very situation of ostensible prosperity in a certain area have, in turn, created other problems, tensions and maladjustments.

Turning to the economic area, essentially because of weather conditions, the last agricultural year was very bad, although not only for weather reasons, but also owing to another set of factors. Despite the ills, at least we have foreign exchange with which to purchase grain abroad, and meet the needs for food. It would have been worse not to have produced grain and not to have the means of purchasing it abroad. At present, we do have the means of purchasing it, and this is where I bring up the matter of the ostensible prosperity that I mentioned: that related to oil, which everyone is discussing. This prosperity entails problems for us, because we are not prepared, without imbalance, to cope with the tremendous impact of the sudden entry of an unlimited volume of dollars (a problem with which you are more familiar than anyone, and which you recently discussed in the press, and certainly explained very well); a phenomenon that is facing us and that is the major concern of the president of the republic.

When the president put a ceiling on the exploitation of hydrocarbons, he did not do so merely for the sake of maintaining the reserves; because our reserves, which have increased enormously (I mean, the information that we have about them has increased, because of course the reserves were there, only now we know that we have them) will last us for many years. It is not the fear that they will become depleted that has prompted putting a ceiling on them, although that was considered also; the main reason is that we cannot absorb that production for our own needs. Our needs will increase, but not at the rate at which we can exploit the oil. Therefore, any increase in exploitation is necessarily for exporting. And if we export, what is the result? An abrupt entry of foreign exchange. Are we prepared to receive that foreign exchange? Do we have something to spend it on? Are we technically prepared to use it for creating infrastructure? Do we have the necessary machinery? Do we have the necessary technicians? Can we create everything at the same speed with which we are receiving the money? No. That is why the ceiling was imposed; but even with that ceiling, we find that we are receiving too much money, and we don't yet know what to do with it. On the other hand, even if we did know what to do with it, in any case, when the money in circulation increases with that income, the impact is inflationary. So we are faced with a series of problems.

I am speaking with an expert, and I am not one. My terminology is probably incorrect, and I may have made mistakes, but I think that the problem (if I understand it, and it is my concern, and I know that it is the concern of the president of the republic) is that we cannot avoid the inflation. Inflation affects everyone, but most harshly those who have the least, in particular, and those with the least are not necessarily the workers; because the organized workers have, in comparison with other workers in Mexican society, at least the enormous advantage of the right to an annual revision in their wages, which to some extent enables them, even though it may be only partially, to compensate for the results of inflation. But those hardest hit are the ones with fixed and reduced incomes: the retirees, widows and many others who are not wage-earners, whose income cannot be increased to the same degree that the price of

items increases or the real value of the currency declines, or the speed with which the worker with an opportunity for an annual revision improves his lot. So, it would be very beneficial not to have inflation; however, it is impossible to avoid, since it is not a phenomenon confined exclusively to Mexico, but rather worldwide.

The theoreticians tell us that inflation is not so bad if it is not greatly accelerated and if it can be administered and controlled, because in any event it is a great stimulus to development. To what extent can we control inflation? Many measures have been adopted by the executive branch and the present government of Mexico to prevent inflation from being triggered; but it is impossible to adopt the traditional measures of restricting the money in circulation, or preventing development, curbing it temporarily, or setting a ceiling on wages and prices for a more or less extended period of time; because that would be like driving a car at high speed and suddenly braking: we would be catapulted through the windshield. Therefore, it is necessary to proceed gradually and reduce speed, so that the inflation will not catapult us; but realizing beforehand that we are going to have inflation.

That is why I said that, even thought there are hopes that this agricultural year will be better, even if the rainfall is improved, even if there is large oil production, even if there is large income from oil, even if the prospects for development are good, because there is reinvestment and because new industries are being created which will generate new jobs; even with those positive prospects, we shall not be able to curb inflation. For all these reasons, I said that, even though we have hope that everything will be better, it is likely that things will become worse before they become better. That is Mexico's great problem: how to achieve balance in the economic realm, how to achieve a satisfactory social development, and how to direct the political activity without major obstacles. That is the great task confronting the regime of President Lopez Portillo during the second half of his administration.

RO: I take the liberty of suggesting to you a hypothesis concerning the prospects for oil exploitation. Oil will certainly represent very large income in foreign exchange, but during the last 10 years there has also been a very large income in foreign exchange as a result of the foreign debt; and, nevertheless, that huge volume of financing did not have the effect of a substantial increase in employment and a redistribution of income, but rather merely prevented the country from succumbing to a dreadful crisis. However, that large volume of external financing through debt is by now insufficient to lend vitality to the economy; hence it has become necessary to add another volume, which would also be very large, that will be provided by oil. The problem lies in the fact that this new source of financing will not guarantee favorable repercussions merely because this time oil is involved.

LMF: I believe that the prospects are good, because this regime has concerned itself from the very first day with seeking better organization. In the words used by the president (of course, this is not an attempt to learn the words exclusively, but the words with which he clearly expressed this view must be used): "We need to produce in order to organize ourselves, and we need to organize ourselves in order to produce." That is to say, it is not enough to receive the money, but we must be prepared to use that money. That is also why I said that oil could cause us upsets owing to the speed with which the money has been coming in; because it is not just a matter of having money to do things, rather one must be prepared to do them:

One must have the technical capacity, the programs, the plans, and both the human and material equipment with which to execute them.

And that is what this regime has been doing during these first years of its activity, its administration: planning, organizing so as to be able to invest, and implementing. You may recall that the president used an expression that not everyone understood, and some joked about, when he said: "We have lived with a crisis; we must prepare ourselves to know how to live with and manage abundance." Many thought that this was an unrealistic, oratorical comment. In reality, he was foreseeing the advent of this phenomenon that we have been discussing: that oil would represent the substitution for the foreign debt in Mexico's finance.

Of course the foreign debt will not end this year; we anticipate $3.2 billion, because it is feasible for private enterprise, because we are not doing everything with our own funds, nor would it be practical to do so. Those very well versed in business say that there is no better business than borrowing; because if we borrow a peso that is worth a peso today, tomorrow we shall pay 1.20, which will really be worth 0.70, and hence it is preferable to become indebted. The debt in itself is not bad, provided we have the ability to pay, and can produce to generate a sufficient amount and to pay. Last year in particular, and in 1978 as well, Mexico adopted some very good measures for paying in advance, to lighten the foreign debt, and that prevented an excessive inflationary impract, because we had many disbursements in foreign exchange, and not all that money was circulating in Mexico. At present, since advances have been made and the medium and long term debts have been renegotiated (not the short term dent, which was exerting too much pressure on us, and worrying us), we must seek the means of making better use of all that money. Even with the inflationary impact, we must distribute enough on infratructure to produce more in the future; and I think that this type of measure can be adopted, because the country is being prepared for it. I do not mean that we are totally prepared, but a great effort has been made, which was not made during the years to which you referred.

In recent years (you mentioned a decade), we have been receiving a great deal of money, and we did not know how to use it, and we lacked sufficient production; but now what we shall do is substitute a little or part of the financing from debts with the financing from the sale of crude oil.

I think that we are more prepared than we were before to use that money, to distribute it, and to create an infrastructure which will enable us to produce later, and not remain bound to a depletable asset like oil. Excuse me if I keep reverting to the same topic, for it is my subject, and somewhat my position: I think that, in order to make use of the income, we must not only prepare the country from a strictly economic standpoint, but also prepare it in all areas. And a measure for preparation that the president has adopted is not only to organize us for production, but also to organize us for public life. The political reform is part of a great overall reform, which entails social reform, political reform, administrative reform, economic reform, reform of production, tax reform: measures which some consider inadequate, depending on which side they are on. Hence, the political reform is a series of measures that must be adopted in various areas, so that we shall be totally prepared for development and growth. We cannot fail to consider political reform part of that whole, because one area is inevitably related to another. We cannot have economic development if there is not political development, nor can we have political development without an appropriate economic base. (To be continued.)

[16 Dec 80, Sec A, pp 1, 11, 14]

[Text] Luis M. Farias,leader of the Chamber of Deputies, claims that the cherished dream of rulers is to achieve concurrent distributive justice and social justice, without losing freedom, as occurs under totalitarian regimes.

After reflecting, the former governor of Nuevo Leon added: "Thus far, to my knowledge, no one has found the definitive, effective method. There is a temporary solution, and then they succumb to imbalance."

Raul Olmedo: In a country with an economic structure wherein the income is highly concentrated, the new financing tends to be concentrated, in turn, and not to benefit the lower strata of the population. It seems to me that this occurred to a large extent during the decade now ending. At the same time, the concentration of income prevents the development of a large market, because the individuals accruing large incomes generally use only part of them for purchases and the rest for savings or speculation. For this reason, the new oil financing could, unfortunately, also enter the chain of concentration of income, and the same thing might happen as with the financing provided by the foreign debt. You actually say that the political reform is a first step, and that there must also be economic reform, tax reform, etc. Which measures would you consider suitable for carrying out an economic reform?

Luis M. Farias: This is something that deserves a great deal of thought, so as not to prompt us to adopt hasty measures that would bring the typical backfiring results. How can a better distribution of income be achieved? I think that this is the goal, the illusion and the cherished dream of all the political regimes in history. How can it be achieved without putting an end to freedom? Because the great problem facing us is this: how to achieve concurrent distributive justice and social justice, and how to manage to maintain freedom at the same time? Because preference is often supposedly given to justice. It is said: we shall be just, but in order to be just we shall commit abuses. Then, what in fact occurs, as it does under totalitarian regimes when they act in good faith, is that although progress is achieved and the people are assisted in improving materially, a gag is imposed on them, and they are prevented from leaving their town, with the enforcement of a series of measures that eliminate freedom. On the other hand, there is a desire to maintain freedom and, by allowing everyone freedom, we prevent the accomplishment of material projects that benefit the majority, and hence we succumb to injustice. To achieve a balance between justice and freedom is the great goal and, I repeat, the cherished dream of statesmen. Thus far, to my knowledge, no one has found the definitive, effective method. There is a temporary solution, and then they succumb to imbalance. As a French statesman said: Throughout history, in the political and social realm, we are always in a pendular movement wherein we go from order to freedom. Justice lies in the course of action seeking balance, and is only achieved when we pass through the middle of the pendulum; but that is only a momentary occurrence.

Hence it is not easy to suggest measures. However, to achieve some justice tax measures, for example, could be adopted: Through a suitable tax system justice is done when a gradual tax system is sought that will grow as the income increases. Measures of a legislative nature could also be adopted, to prevent abuses; and there

could be greater monitoring. Another example is the distribution of profits that is made in accordance with the Federal Labor Law, concerning which there are constant complaints from the workers over the concealment on the part of the business owners, and from the owners, who claim to be giving more each day (and although it is quite likely that they are giving more each day, it is also likely that they are still keeping some in reserve). In short, there is a series of measures that could be adopted whereby the state's action would succeed in preventing violations and abuse.

What you say is true: the greater the national income, the more benefits go to those who have the most, while the least go to the other strata. Generally speaking, wealth benefits the rich; it is true. Wealth summons wealth, and money summons money. But is is also true that measures can be adopted to prevent abuse and violations. It is not a matter of preventing the investor from earning profits, but rather of having those who cooperate with him in generating them share in those profits; in other words, a fair, sufficiently remunerative wage, a truly just distribution of profits and a state monitoring which will prevent abuse and violations. Now then, in this matter of monitoring, there is always what an old expert in legal philosophy said: Quid custodias custodio? (Who will watch the guard?) We also have that phenomenon. Unfortunately, we observe the social problems escaping the mathematical calculations, and the measures which the legislator might adopt also failing to guarantee that the results will prove exactly as desired. Unfortunately, we have to experiment.

I would not care to say (being a legislator and the coordinator for the majority, and without having discussed these matters extensively, at least with my group) which measures are the most viable and applicable for solving these complex socio-economic problems. But I am certain that we can find the solutions if we devote ourselves to it, and strive, shoulder to shoulder; and if we are willing to listen to others. There are also among businessmen some (not all, of course) who do not have excessive ambition; many of them find greater satisfaction in creating than in making profits. In short, the experience of everyone can be used to advantage in finding the best course of action.

RO: Do you thank that contributions have been made in this regard during the Chamber's discussions?

LMF: In the economic area no, but in many others, yes. In the economic area it is very difficult to come to agreement, and actually the measures that we have recently adopted have been of a penalizing nature, to punish with heavier penalties those who commit abuses, for example by hoarding or making excessive profits. We have done the same thing with regard to taxes. There has been a great deal of concern, but not always sufficient time available.

I think that this year we shall be aole to do a better job than last year. The commissions are working, meeting regularly and holding discussions; they have an opportunity to meet with the officials from the executive branch; they have more information; they are constantly holding dialog with the heads and technicians of the state secretariats. In short, I think that better bills will result from this kind of handling, this discussion and this exchange of views.

RO: Are there plans at any time for sessions to hold concrete discussions of the economic reforms?

LMF: In regular sessions, of course, but not in special sessions. What we are doing is procuring the largest possible amount of information, so as to make suggestions, suggestions which will not necessarily be made through bills, but actually in the talks with the leaders or technical specialists in the state secretariats. Some bills may also possibly result. For example, there have been talks both by the Energy Commission and the Industrial Development Commission, with Oteyza; there have been talks by the Agrarian Reform Commission and the Agriculture Commission, with the secretary of agriculture and water resources; there have been many talks on the part of the Energy Commission with the director of Mexican Petroleum; there have been many talks by the Program and Budget Commission and the Finance Commission, separately and with the secretary of finance and public credit. In other words, there are greater possibilities on this occasion than on previous ones to formulate more suitable and effective bills.

The Economic Crisis

RO: The world is currently undergoing a very difficult situation. This year, there will be a widespread economic stagnation, but since 1974 there have been very serious economic problems. It has been said that the recession in the United States during 1974, which affected the whole world, was the worst since that of 1929. There is every indication that a kind of cycle exists, which began with the solution to the 1929 crisis and which led to a very great process of growth, but is now causing the world economy again to embark on a period of obstacles that will require solutions, but like those of 1929, of great significance. In 1930, the solution was to give the state a large-scale participation in the economic area; that was the solution which extricated the world from its problems, the famous Keynesian policy. This time, when the world has again embarked on a period of obstacles, it is difficult to discern what measures will be adopted; but I would like to ask you if you observe these similarities to the 1930's era. Do you think that the current years will require solutions as drastic as those which occurred during the 1930's?

LMF: Cicero said that history is the guide of life, but that does not mean that, every time a problem appears, we must attack it exactly as it was attacked by Napoleon or some other historical figure. History serves as a guide for us, but history itself teaches us that everything changes. It has been 51 years since that date of the crash on the New York stock market, which affected the entire world, but primarily the United States. It affected us greatly. We are all familiar with the saying that, if it gives the United States a head cold, it gives us pneumonia. We are too close, and we are weaker.

At that time, when the United States was receiving, both legally and illegally, a large number of Mexican workers, it was beset with great difficulty, because it had to feed its own first, rather than others. Therefore, it returned the people to us. They came in railroad cars, like cattle. You are very young, and did not experience it, but I saw it. I saw the people arriving locked in railroad cars, and staying in the the first town that they reached; so many arrived in Torreon, Chihuahua and other towns. They were starving to death, because there was little to eat in the country from which they were coming. And if they caught them, they put them on a railroad car and they arrived debilitated after several days. What could they do? There occurred the first instances of land invasion in the Mexican cities, especially in the north, where they made what is now called "cartolandias" in Baja California,

because they lived in houses made of cardboard. What happened afterwards? Those people did not find work, because there was a pressing, difficult, unstable economic situation here too. So some sought a means of support in begging, and others in committing crimes. The crime rate increased shockingly, owing to the poverty and the hunger. So, we suffered from the 1929 crash here, especially during 1931 and 1932. Later, you may recall, the situation improved in the United States, under the Roosevelt administration, with Keynesian measures, as you have said, through the public debt, giving jobs to those who were lacking them, or else paying them even though they were not working.

But now the situation is different, the world is different. We have already had a second war after the first one; the political composition of the world has changed, and the political geography which I studied is different. There occurred a process of decolonization; there are virtually no more colonies; there are many new countries, new countries which have wanted to reach the 20th century, but which are actually living several centuries behind. There are countries which have experienced fictitious political establishments that are not really geared to their way of life, which have experienced fictitious economies; in short, everything that they have experienced has been fictitious and artificial, because, obviously, they have had a superstructure that was imposed upon them by the ruling country. And, although very small groups from the upper classes have been content with that culture, the rest have continued living in dreadful backwardness. Suddenly, they have become free and independent countries, lacking in sufficient economic structure; and they have wanted to have a democratic political structure, at least in name, but they have been unable to achieve it. During the past few years, we have witnessed what all this has caused, and the economic backwardness that has been caused, in turn, by the political upheaval among those nations.

Thus, the general composition of the world is different from what it was during the 1930's, and that must be very carefully considered. Moreover, the United States, even though it was already a great power then (and it was after World War I), did not have the world status and representation that it has today. The United States was a country which had remained isolated during the past century, and which launched forth into the world in 1914 (it actually entered the war in 1917, but it was already participating politically at the turn of the century), becoming a great power after the victory in World War I. But, with World War II, it became the great power, or at least one of the two great powers, with the Soviet Union. Hence, if the United States were to have a real collapse now, that would affect the rest of the world far more seriously than the 1929 crash did. But even without a collapse, with a mere recession or stagnation with unemployment, or "stagflation," as it is called, even so, without affecting the entire globe, the United States is seeking a way of distributing the losses and the seriousness of the situation among the whole world, and to some extent having the other countries help it keep its head above water by means of the so often confirmed economic system that it has not only as a country, but also through the big business firms with home offices and main headquarters in its country. Of course, the majority of countries defend themselves and refuse to take part in the distribution of costs of a situation for which they do not feel really responsible.

On the other hand, the monetary situation has changed greatly, because the Bretton Woods system was abandoned during the last decade, in 1973-74, and since then most of the currencies have been floating. That has caused a great deal of upheaval and

imbalance, which has affected the balance of payments and the trade balance of the nations as a whole; because one does not know how much a product is really going to cost, and because the purchase and sale contracts that are made are random, owing to the constant change in the value of the currencies. The price of gold is also undergoing tremendous fluctuations.

All this has caused imbalances and maladjustment, and has forced the large countries to defend themselves, which they can obviously do better than the others, because the developing countries, the Third World countries, and particularly the countries which are just emerging from underdevelopment or which are completely underdeveloped are far harder hit; because they have a constant need to purchase capital goods. However, this does not mean that the large countries are not affected. For example the United States, despite its great economic potential, in view of its consuming and spending habits, has found it necessary to import oil and gas, although in an percentage that is not of great numerical significance but, when converted into dollars, is large. This is exacerbated by the variations in oil prices and the suddenness of the monetary changes.

What measures can be adopted? I think that, as has always been the case, we shall find them, we shall find them by attrition. On one occasion, a measure was sought and it did not bring results; we continued searching, until we found a path, for example, the path that Roosevelt took and, with him, the rest of the world, that of greater state participation in the economy, of an atrocious increase in the bureaucracy, a path that was thought to be temporary, but that has been extended. To give an example of this, Washington, which was a peaceful town before Roosevelt, is now an agitated and even dangerous city, where one cannot go out at night. And, although the world is different from that of 1930, the same measures regarding state participation are still being enacted, probably because the great influence that only the state has to make strong decisions is required. Because, if everyone were allowed to adopt his own measures, who would be the first brave one to say: I am tightening my belt? One who has no other remedy tightens his belt, but one who has means wants to continue living at ease, with great gratification and squandering, with increasingly large cars that use a great deal of energy, with more electric light in his house, with larger swimming pools, and taking longer trips. The less the money is worth, the faster it is spent, even when one has little; and when one has much, there is all the more reason to do so. Hence, there is less desire to save, and the inflationary impact is stronger, because, when the money is spent, the money in circulation increases, and not only the money in circulation, but also the speed in the circulation of money.

We shall not easily emerge from inflation except through tax measures which only the state can adopt. In this respect, it is likly that the solutions which occur will be statist in nature. Let us hope that this statism will not become a genuine, permanent statism, but rather one marked by temporary forceful measures for emerging from a crisis.

Workers' Proposals and the Federal Labor Law

RO: Do the proposals of the workers' deputation lie in this context?

LMF: The workers' deputation has certainly proposed these measures, but I think that it is overly concerned with its own problems, and lacks an overall view. It is only natural that the deputies from the labor sector should think in that way; I would think the same. They say: "No, since prices are changing so much and it is impossible to curb inflation, we need a contract revision every half-year instead of every year." You may recall that, traditionally, for a great many years, the revision of the collective work contracts was made every 2 years, in accordance with the Federal Labor Law. During Echeverria's term in office, it was changed to 1 year; now they propose that it be every 6 months.

Consequently, I consider this solution to be fleeting and insufficient. But, of course, I can understand and to some extent even justify the position that they have assumed. But when the problem is viewed from outside, objectively, the new proposal is not a solution, because the first thing that would result from it is a triggering of inflation, and hence the creation of instability for investment. Therefore, we need to consider, on the one hand, how to prevent the worker from being hurt and, on the other, how to prevent those with money from stopping their investment, how to stimulate the investors and how to stimulate the workers, and make their living conditions the most decent possible for them and their families. Balance must be sought. That is why I say that only the state per se can make the forceful decisions at a given time, that will extricate the country from a crisis.

RO: I was referring more to the economic program than to the contract revisions.

LMF: Ah, yes, a more dynamic state participation in the general process. Yes, probably a large majority would be in favor of that participation.

RO: And would private enterprise accept it?

LMF: Let us observe it historically. What happened when the Federal Labor Law was proposed? The business owners at the time shouted to heaven, thinking that there would be an end to industrialization in the country, that the establishment of new industries would stop and that those already established would be destroyed. What was the result? Mexico's great industrial development began during the 1930's, followed by the oil expropriation, which stimulated it. Contrary to the expectations of some business owners, the Federal Labor Law did not affect industrial development.

I remember in 1970, when we made the major revision in the Federal Labor Law, when it was changed and made a little more drastic, we had a period of 8 months to study it. At the time, I was also leader of the Chamber, in the 47th Legislature. Before starting to discuss it, we held a period of public hearings in which all those who so desired participated, as did CONCANACO [Confederation of National Chambers of Commerce], CONCAMIN [Confederation of Industrial Chambers], etc., of course. They all expressed their views, and some were in agreement in stating: "This is the end; industry will be eliminated in Mexico; no one will want to invest, and no one will earn a cent." I announced the opening of the period of public hearings on 6 January 1969, and we held the hearings during the entire recess. The law was passed in December 1969, and went into effect on 1 May 1970. That is why it is called the 1970 law, whereas the bill actually reached the Chamber on 12 December 1968. During this decade of the 1970's, they said exactly the same thing: "There will be an end

to industry in Mexico." What happened? Industry grew as never before; the business owners earned more than they had ever dreamed.

Therefore, if the measures that we are discussing are adopted (whether that is a remote or a likely possibility, we do not know, it depends on the overall international and national situation), there will be some in private enterprise who will again shout and lament, like Jeremiah, that the world is going to end. But the world will not end, because they will continue to invest, because they have already invested and because the situation is not confined to the country, but is rather a worldwide situation. Where can one go and not find problems and difficulties to be surmounted? So I think that there is an increasingly greater awareness and thorough understanding of the problems among the manufacturers so as to prevent them from becoming frightened. That does not mean that they will not shout.

2909
CSO: 3010

PLAN VI STRATEGY FOR ORINOCO DEVELOPMENT DETAILED

Caracas EL UNIVERSAL in Spanish 19 Dec 80 Sec 2 p 28

[Article by Victor Moreno Cova: "Oil Drilling on Increase in Eastern Part of Country"]

[Text] Cumana, 18 Dec--A trend toward increased oil drilling in the states of Anzoategui and Monagas, and a decrease in the major area of producing crude oil, which is Zulia, is being seen in this part of the eastern section of the country.

The contribution of oil extraction in the northeastern region of Venezuela comes to 20 percent, but it is tending to increase due to the activities planned in the area known as the Orinoco Band, pointing up the importance this zone will have in the medium and long range in the structure of domestic oil income, in particular if we add to it the gas and oil deposits which are found in the northern part of the Paria Peninsula in the state of Sucre.

In summarizing the analysis of the Sixth National Plan for Oriente, it is evident that since the third decade of this century, oil has been exploited in the states of Anzoategui and Monagas. The initial impact led to the establishment of urban centers and the dynamic development of the existing ones, but the decline in this activity which occurred in the 1970s transformed crude oil extraction into an isolated economic activity, because of its nature as an industry with a high level of technology and self-sufficiency, cancelling out a large part of the effect on the economic activities which remained linked with oil exploitation were basically the sale of equipment, machinery, and replacement parts for periodic maintenance, for which the basic operational points are the cities of Anaco and El Tigre in the state of Anzoategui.

It should be stressed that the Sixth National Plan suggests a series of strategic measures because of the fact that the oil programs in the southern zone of Monagas may lead to heavy migration, probably from the state of Sucre and the northern part of the former area, which would have as a consequence the development of poverty belts around the installations due to the limited capacity of crude oil and other related activities which developed to absorb manpower. In addition, there could be negative consequences in other areas, especially devoted to agriculture.

The Sixth National Plan suggests that to avoid this serious development, there should be encouragement for the rural population to remain at their work sites, by providing credit incentives, minimum prices, improved marketing systems,

technical aid, an opportunity to participate in agroindustry, housing, and good public services, and that the central and southern zones of Anzoategui, specifically El Tigre and Maturin, should be strengthened so as to avoid a shortage of manpower which might create problems in their growth. Suitable steps should be taken in the development area in the Orinoco Band in connection with the urban infrastructure necessary to offer good labor conditions to those individuals who will be affiliated with the project, as well as those affiliated with the related services to which it will give rise. Special regulations should be drafted for the zone in order prevent anarchic development.

A financial body to promote investments in equipment and infrastructure projects should also be established in this sector, and efforts to promote programs for the training of human resources should be coordinated.

The plan also sets forth strategies for dealing with this situation, such as the establishment of a committee to take responsibility for the tasks of promoting, managing, and coordinating the activities which develop or which will develop in the zone, to establish specific programs for the processing of farm, forest and fishing production such as to make rational use of the natural resources found in the northeastern region.

According to the plan, the oil program should indicate sufficiently in advance of the development of each project what job requirements there will be, such as to make it possible to know whether this need can be met within the area or if, on the contrary, it will be necessary to have recourse to other regions. This will make it possible to direct the location and volume of services.

One of the concerns this governmental report has provoked is the prediction of a population increase in the Orinoco Band exploitation region, in the eastern part of the country, which could lead to the development of a city which according to the LAGOVEN study would have more than 40,000 inhabitants in the medium time range.

Also it will be necessary to build a road access between the settlements of Barrancas and Pariaguan and traversing the whole of the oil extraction band, to strengthen the El Tigre-Tigrito-Pariaguan-Barrancas and Temblador urban centers, which may offer housing alternatives based on medium time range (5 to 10 years) hypotheses.

The study shows that it is urgent to plan for the impact of oil exploitation on the natural physical environment, in other words the possible superposition upon the farm and forestry programs, particularly the Uverito Pines Plan.

Finally, the study concludes that all of the above considerations require serious study and preparation, above all for the impact on the zone and the repercussions on the rest of the northeastern region in terms of manpower, food and other supplies, etc. The various studies to be carried out should be coordinated with the regional and national planning bodies.

It will also be necessary to take into account the establishment of the Venezuelan Institute of Petroleum Technology (INTEVEP), Orinoco Oil Band Center.

PEQUIVEN SETS ALUMINUM SULFATE RECORD IN 1980

Caracas EL DIARIO DE CARACAS in Spanish 18 Dec 80 p 4

[Text] The PEQUIVEN [Petrochemical Company of Venezuela] is closing out its activities for the year 1980 in more than positive fashion.

On the one hand, it has just set a record for sales of aluminum sulfate for the treatment of water, and on the other hand, an achievement as important as the preceding or more so, the PEQUIVEN, thanks to effective safety programs, has succeeded in reducing accidents at its installations by 32 percent.

The 3,715 metric tons of aluminum asphalt produced by the Ferro-Aluminum Enterprise C.A. (Ferralca) were sold by that enterprise during the month of November. This set a record, since this figure had never before been reached since this enterprise was established, according to a PEQUIVEN bulletin.

Moreover, it was learned that the sales accumulated by this enterprise up to the month of November of this year came to 22,721 metric tons. This exceeds the sales made in 1979 by three percent. Thus the enterprise succeeded in accumulating profits totalling 126 percent of the figure for last year, according to the public relations office.

The FERRALCA, located in the next enterprise area of the Moron Complex in the state of Carabobo, was established in 1972 as an enterprise with the PEQUIVEN (the oil affiliate of Venezuelan Petroleum, Inc) as its main stockholder, with 75 percent of the shares. The other partner is the Hurtado Group, which holds the other 25 percent of the stock.

The plant began its activities in 1976. It produces aluminum sulfate, technical grade, and iron sulfate, free grade, both used in the treatment of water and in the paper industry.

Industrial Safety Programs

The PEQUIVEN has offered a total of 16 courses on industrial safety and 45 lectures on the proper use of tools and equipment for the prevention of accidents.

These courses were offered for the 450 workers at the enterprise, who are employed at the Zulia-Moron Complex, and this effort was reflected in a 32 percent reduction in the accident rate.

The accident prevention programs are carried out in all areas, but in particular in those where the greatest risks exist.

The programs are strengthened by continuing publications put out by the enterprise on the subject of industrial safety. The new employees hired by the enterprise are rigorously trained, as are its industrial supervisors when they are to be promoted to higher posts.

Since its establishment, the PEQUIVEN has shown a special interest in safeguarding both its own employees' interests and its own business interests.

5157
CSO: 3010

BRIEFS

LAGOVEN TRANSPORT FLEET--Caripito, 20 Dec-- LAGOVEN proposes to increase its land fuel transport fleet in 1981, because of an increase in the market. It was announced here today that the goal of the enterprise is to have its own resources for the transportation of the products of its refineries, one of which, that in this field, is closed. "It has been found that we need to have our own fleet to avoid market contingencies and to keep our stations and our customers supplied in timely fashion," a LAGOVEN marketing spokesman said. He said that the hydrocarbon products, most of which are consumed in the eastern part of the country, are dispatched from Caripito. [Text] [Caracas EL NACIONAL in Spanish 21 Dec 80 p 1] 5157

CSO: 3010

URUGUAYAN CITIZEN CHARGES GOVERNMENT TORTURE

PY231834 Paris AFP in Spanish 2006 GMT 22 Dec 80

[Excerpts] Sao Paulo, 22 Dec (AFP)--Daniel Rey Piuma, a former member of the Uruguayan navy, charged here last night the torture of political prisoners, the corruption of military officers, and the discovery of bodies of Argentine citizens who were victims of the political persecution in Uruguay between 1976 and 1979.

Daniel Rey Piuma who deserted from the Uruguayan navy and fled to Brazil last October made these charges in a testimony he made to the General Secretariat of Jurists for Amnesty in Uruguay (SIJAU) which has its headquarters in France.

Rey Piuma noted that he worked for the navy intelligence department in Montevideo as a photographer for 3 years. He showed the members of the SIJAU several photographed documents of tortures perpetrated in Uruguayan jails and even at the navy intelligence department. He also showed the pictures of those officers who, according to him, are involved in tortures.

Rey Piuma said in his testimony that many navy buildings were used as jails, such as the Montevideo navy intelligence department, the headquarters of the marine infantry (FUSNA) and also houses in the neighborhoods of Carrasco and Punta Gorda.

Rey Piuma said in his testimony that an investigation carried out in 1980 disclosed that more than 50 persons were involved in drug trafficking in Uruguay.

He added that when the investigation discovered the involvement of certain persons, the Uruguayan navy commander and the navy intelligence director decided to suspend it and the detainees were put at the disposal of a judge.

About the appearance of bodies of Argentine citizens found on the shores of the river Plate, Piuma noted that the bodies started to appear between 1976 and 1977. He added that at the beginning it was thought that the bodies were of Asians since the bodies showed deformations after being so many hours under water.

Rey Piuma said that evidence was found that these were the bodies of Argentine citizens since an identity card with the name Maria Cristina Campora was found on the body of one of the victims. He added that Argentine Corporal Victor Pena told him that these were the bodies of Argentine political prisoners.

The former member of the Uruguayan navy noted that in 1977 a member of the Argentine Montonero Movement had been detained in Colonia and that he was later taken to Buenos Aires by Lt Eduardo Graigdale where he was killed.

Rey Piuma said that the only objective of these charges is to tell the world about the existing situation in Uruguay.

CSO: 3001

BRIEFS

OAS, BUSINESSMEN SIGN AGREEMENT--Last night during a ceremony held at a private club in La Paz, the Confederation of Private Businessmen and the OAS General Secretariat signed a cooperation agreement. The agreement was signed by the president of the Bolivian Private Businessmen's Confederation, Marcelo Perez Monasterio, and OAS representative to Bolivia (Samuel A. Echalar). [PY151951 La Paz Radio Illimani Network in Spanish 1130 GMT 15 Jan 81]

CSO: 3010

DECISION ON REFURBISHING OF POLITICAL PARTIES AWAITED

Buenos Aires LA PRENSA in Spanish 21 Dec 80 p 1

[Article by J. Iglesias Rouco: "Hastening of the Political Pace"]

[Text] The uncertain economic prospects for 1981 (a 2 or 3 point decline in the gross product is anticipated), and the upheaval caused among the Armed Forces and many political sectors by the Pope's "proposal" on the Beagle may not delay, but rather hasten what some term the process of institutional political reconversion. According to our sources, the release of Mrs Peron has already been decided upon, and will take place very soon, together with that of other officials of the regime which was ousted in 1976. It is also reported that a plan will be studied for holding a "test" election in 1983, before General Viola leaves the presidency.

Despite the extraordinary concerns of late, the Military Junta is still analyzing the features of the so-called statute of the political parties. Within a few weeks, General Viola will receive a finished report on this subject. The same thing holds true for the "defense of democracy" bill. In the Ministry of Interior, background information and studies of comparative legislation are being compiled and, before March, the final plans will probably be completed for the future party system, the electoral system and what that ministry terms "basic legislation on political parties," which will include, among other things, the aforementioned law on the defense of democracy. These texts will subsequently be reviewed by General Liendo and his staff, and will be promulgated between the middle and end of 1981, after a final consultation with the leaders of the parties, many of whom have reportedly already expressed their "principle" of agreement.

The Armed Forces

According to our informants, the recent distribution of Army commands was not intended to delay or narrow the future president's area for "opening," but precisely to bolster the military "reassurance" with a view toward the inevitable hastening of the process of "restoring" civil political life. A few days ago, we were told the following by military sources: "With a harsh government policy, not aimed in a democratic direction, the Army can afford 'liberal' commands or, if you will, a less intransigent and more 'political' image. But the opposite holds true when a return to the democratic path in 3 or 4 years is involved. In this case, the Armed Forces must act as an absolute guarantee, until everything is on the right track."

However, this opinion, which has not failed to be interesting, is not shared by other civilian and military circles, and apparently not by some of the bishops either, who are said to be of the opinion that only a "coordinated, peaceful and profound" pressure from all the parties and social forces will facilitate the "openness" and will remove the restrictions imposed on the Viola government by Armed Forces determined to keep "the polls buried" during the next decade.

At the moment, it is impossible to ascertain which of those opinions is correct. Mr Bittel, who is still distributing his dangerous embraces (this week, he embraced not only Jose Antonio Allende, but also Sobrino Aranda, at a "party" given by Manuel Anchorena no less, which was attended by the Soviet ambassador), seems inclined toward the former. On the other hand, Mr Balbin, always a great embracer, still appears uncertain, although, according to our sources, he is also very receptive to the government's plans for "openness."

Proposals to the Government

The government has not yet finished compiling and summarizing the results of the "dialog" in 1980. Nevertheless, there is said to be a preliminary conclusion regarding the agreement or unanimity achieved, understandably including the opinion of the Radicals. These preliminary conclusions have already been sent by the Ministry of Interior to the office of the presidency and the Junta.

We were given assurance that both Balbin and the Peronists and leaders of the other parties and entities are agreed, with respect to the doctrinal bases of the future "democratic" structure, upon the principle of the state's subsidiary status. According to the government records to which we have had access, the politicians who were consulted feel that this principle should be applied strictly to the economic area, and that its projection into the educational and social realm must be limited. Insofar as the program bases are concerned, all the proposals are focused on the need to:

1. Determine the scope of the political and administrative control of the legislative branch. In general, all the leaders think that the term "maximum control" would not be appropriate.

2. To stress the immobility of judges.

3. To leave up to the desire of the provinces the choice of the system of one or two chambers in the provincial legislative branch and the municipal system.

4. To determine the sectorial participation of the various intermediate groups, which would take place only in the area of consultation and advice.

5. To underscore the concept of monetary stability.

6. To give priority to the role of the university in scientific and technical research activities.

7. To add to the bases of the future democratic state a chapter devoted to federalism.

If, during the next few months, the decision to hasten the process of institutional political "rerouting" is confirmed, it is likely that, after the second phase of the "dialog" in 1981 which will be devoted to the promulgation of the new legislation, 1982 will be the year of the internal reorganization of the parties and the formation of new leadership cadres with which the military regime will attempt a "departure" between 1983 and 1984.

2909
CSO: 3010

PERONIST REVITALIZATION, UCR LINKS GENERATE POLITICAL CONCERN

Buenos Aires LA PRENSA in Spanish 26 Dec 80 p 9

[Article in the column "Observer": "Return of the Sorcerers? Worries of the 'Frontists.' PNC and the Regional Economies"]

[Text] The possibility that a decisive upset is about to take place in the case of Mrs Isabel Martinez de Peron could hardly fail to have repercussions of greater or lesser intensity on the political area. Already, writing by anonymous persons in plain chalk saying "Isabel" is appearing on walls, as are some well-known initials, such as "V", "P" and "JP". The release of the former president, who is still subject to voluntary exile that might well take her to Madrid, would naturally pose the problem of her renowned mentor, Commissioner Lopez Rega, who, during his brief yet scintillating passage through the public scene, earned among other nicknames that of "The Sorcerer," stemming, without doubt, more from his taste for esoteric knowledge than his capacity to work wonders in the government. With warrants for his arrest pending, Lopez Rega is still concealed "somewhere in the world." Neither Interpol's bloodhounds with the best scent nor, presumably, the Argentine intelligence services have managed, in 5 years, to detect the slightest trace of the whereabouts of Lopez Rega. After all, a sorcerer is capable of anything. Why he was forced to leave shortly before the former president's ouster, and what compromising papers he might have taken from here are other mysteries surrounding that enigmatic personality. Some claim that he has contacts with the press in the United States; others, that he is living modestly on palmistry in Barcelona, with a horned owl and a toad. Various conjectures could be made regarding how "The Sorcerer" will have an influence on the national scene again if Peron's widow settles in Madrid, but it is a prospect that will most likely arise.

Activity in the Peronist Movement

Encouraged perhaps by this prospect, which intensifies the "hard line," the Peronists have recently engaged in feverish activity. At the end of their economic and social meetings, which were attended by the "hard liner" Deolindo Bittel and former Ministers Antonio Caffiero and Alfredo Gomez Morales, the Justicialist Party published a forceful document in which it criticized in particular the social and economic policy of the current process. However, it ended by agreeing with the latter that we should "achieve the rapid development of the Argentine man",for "we are humanists and Christians," as "Peron said in 1950." To be sure, just like so many other advocates of that ideal image, the Peronists refrained from defining the "Argentine man" ("homo

argenteus," "homo argentiniensus"?), a strange specimen which might take its first steps on the earth's crust during the 21st century.

There was also activity in Rosario, where there were separate statements made by the former national deputy, Luis Sobrino Aranda, and Peron's former personal representative until 1971, Jorge Paladino, agreeing on the need for self-criticism among the members of that movement. Sobrino Aranda spoke in Resistencia as well, where he launched a bitter attack on the UCR [Radical Civic Union] sector headed by Ricardo Balbin. He said: "It pains me that Bittel is holding dialog with the Balbin group," because the latter "is attempting to steal people from our party."

Agreements and Splits

Therefore, not everything is running smoothly on the path toward a "great" civic front which might have Peronism and Radicalism as supports. The former UCR deputy, Raul Galvan, detracted importance from the Bittel-Balbin meeting, and considered the union of both forces unlikely. On the other hand, speaking at a dinner of the Renewal and Change Movement, UCR leader Raul Alfonsin proposed that those sectors "overcome the grudge that has divided us." A few days earlier, Alfonsin had attended a "multiparty luncheon" at which he proposed heading jointly toward the determination of a strategy, of which he gave the Bittel-Balbin meeting as an example.

It is most likely that these statements have only a temporary value, until the publication of the Statute of the Political Parties, which will be issued in 1981, especially its provisions on the establishment of temporary electoral alliances among groups which will be fighting with one another the next day. Perhaps it was for this reason that Ricardo Balbin recently demanded the prompt issuance of that statute, "which will come because we shall demand it in any case," and, for the same reason, advised calmness during a dinner organized by young Radicals, to whom he proposed moderation in their criticism of the present authorities. The top-ranking leader of the Radical movement apparently thinks that, in view of the imminent change in government, it would be preferable to hold back the fireworks for what may come.

The National Center Party Attacks

On the other hand, one of the leading figures in the recently established National Center Party (PNC), former national deputy Pablo Gonzalez Bergez, made some criticism of the process that was by no means ambiguous in the San Juan DIARIO DE CUYO. He compared it to the Argentine revolution of 1966, because it did not mention time limits either, but rather objectives, and only retreated when faced with the "Cordoba uprising." He claimed that Peron was a product of the Army, called for the lifting of martial law and scored unconstitutional privileges, such as the fact that the bankruptcy law applies to some business firms, and not others. Finally, he exposed the serious situation of several regional economies, such as that of Cuyo.

$50 Million

Coinciding with this last aspect of the centrist leader's criticism was the statement made a few days ago by the Democratic Party of Mendoza, which stressed the state of "grave emergency" being experienced by that province as a result of the deep-seated

regional economic crisis associated with the decline of the grape growing and wine making industry. Among other requests, the document made one calling for the government of Buenos Aires to return the $50 million "which the province generously contributed to the nation when it was needed." The information is correct in one sense: those funds were contributed. But in response to what negotiations was the contribution made? Did the people of Mendoza make it on their own initiative, or were there rather some demanding, unilateral and vertical wires sent?

Procedures of this type are the ones which, combined with other factors, have widened increasingly the gap that separates the civilians from the military.

2909
CSO: 3010

MINISTERIAL REORGANIZATION, APPOINTMENTS REVIEWED

Buenos Aires LA NACION in Spanish 24 Dec 80 pp 1, 8

[Text] Amilcar E. Arguelles, a brigadier physician in military retirement status, will be the public health minister in the government of Lt General Viola. Arguelles is an endocrinologist widely known for his career as an educator and researcher. He was a visiting researcher at the University of Edinburgh, holder of a grant from the French Government and visiting professor at St Thomas University, in London.

The revival of the old Public Health Ministry was one of the military decisions made at the last minute in the discussions on the changes to be made in the organic law on ministries. For a long time, it appeared that the idea which would end up prevailing would be that of combining the areas of health and social security in a single ministry. In any event, the notion expressed some time ago of dividing the present Ministry of Social Welfare predominated.

Brigadier Arguelles is currently serving as adviser to the Secretariat of Planning. The ministry that he will head will represent 17.4 percent of the Ministry of Social welfare from the standpoint of the budget currently in effect.

The opinions gathered in the government regarding what should be done with the present Secretariatof Public Health were quite varied. Dr Juan Alemann, secretary of finance, suggested that it be transferred to the Ministry of Interior, in view of the turnover of national hospital units to the provinces which has taken place during recent years.

Lacoste in Social Action

Insofar as is known, with the rest of the present Ministry of Social Welfare the Ministry of Social Action will be formed. It will be headed by Vice Adm Carlos A Lacoste. The firmness with which Lacoste's candidacy for that position took shape was cited by LA NACION in its commentary, "The Political Week," of 23 November. Our newspaper made the same comment in that very issue with regard to the fate of the Ministries of Interior and Labor. As was stated at the time, Gen Horacio Liendo will be assigned to the former, and Brig Julio Cesar Porcille to the latter.

Div Gen Diego Urricarriet will be minister of public works and services, which will be created again as a result of the division of the present Ministry of Economy. Two other ministries will also emerge from the latter ministry: that of production, and that of treasury and finance. The heads of the latter will be civilians and,

according to plan, their names will not be made public until at least the second half of January.

In brief, the situation of the ministries with regard to the distribution of posts held by the military has been c. ified. The numbers for the Army, Navy and Air Force will be equivalent: Interior, and Public Works and Services (Army); Social Action and Defense (Navy); and Labor and Public Health (Air Force). As of yesterday, there were no indications as to the name of the navy man who will occupy the Defense Ministry.

Six Provinces

As for another one of the more critical questions related to military decision that must be settled before the end of the year, reliable sources said yesterday that it has been definitely decided that six provinces will have civilian governors following the initiation of Lt General Viola's government. Those provinces will be Catamarca, Entre Rios, Formosa, Jujuy, San Juan and La Pampa.

Corrientes has been omitted from that list, despite the fact that it was one of the provinces most often mentioned in this regard during the year. Official sources explained that this omission is due to specifically military circumstances. They said that, since it is a province in which there are not only two Army garrisons (the Third Brigade, stationed in Curuzu-Cuatia, and the Seventh Brigade, in Corrientes), but also the command of a river zone, it seemed unfeasible to change the situation that had prevailed there in recent years.

Also with respect to the provinces, the names of the civilians who might be invited to assume the respective governorships are not known. But, from the overall political situation, one infers that, whatever the designations may be, they will be preceded by the following consultations: regarding San Juan, with the present ambassador to the Soviet Union, Dr Leopoldo Bravo; regarding La Pampa, with the former governor, Dr Ismael Amit; and regarding Jujuy, with the former governor, Dr Horacio Guzman.

A total of 16 provinces will continue to be governed by military men: Buenos Aires, Corrientes, Misiones, Chaco, Santiago del Estero, Cordoba, Tucuman and Neuquen (Army); Salta, Chubut, Rio Negro and Santa Fe (Navy); and San Luis, Mendoza, La Rioja and Santa Cruz (Air Force).

The National Territory of Tierra del Fuego will continue, so to speak, under a jurisdiction assigned to a navy man. The Air Force will retain the Federal Capital. Owing to the positions already assumed by both Lt General Viola and the Air Force, only a decision to the contrary (which, moreover, is not in anyone's estimates) by Brigadier Cacciatore would preclude the extension for another year of the military mandate that the latter has been exercising for nearly 5 years.

Secretariats and Under Secretariats

However, underlying the split in two of the existing ministries and the creation of two more ministries, there might occur one of the most drastic changes in the form of the highest echelon of national administration in a long time. The secretary of planning, Brigadier Jose Miret, who has been working closely on the matter with Lt

General Viola, has in fact proposed the elimination of the 18 state secretariats which do not operate directly subordinate to the president, and the reduction in the number of under secretariats from 59 to 34.

The future president has, in general, expressed agreement with that proposal, but right now we cannot postpone observing something that both Miret and Viola have not overlooked: With the elimination of all the state secretariats, the State Secretariat of Agriculture and Livestock would consequently disappear. In other words, a misunderstanding could arise with some of the most representative spokesmen in the area because the latter have, to top it off, been stressing recently the feasibility of reestablishing a ministry in the area. It is a matter that will require more reflection before making a decision.

Another difficult aspect to be resolved in this regard, although of a personal nature, concerns the situation that would be faced by the officials who are currently state secretaries, and who might remain in the next administration depending on the desires of the next government.

It is known that Lt General Viola is willing for his ministers to have complete freedom in designating their undersecretaries, but it is understood, for example, that he would not spare any effort to show concern that General Corrado remain at the head of the communications area.

Then will he succeed in retaining him, even if he has to descend from the level of state secretary to that of under secretary?

Administrative Streamlining

In comparison with the critical and humanly understandable issues, on the other hand there has arisen the institutional significance of a proposal based simply on making administrative streamlining feasible from the highest state echelons. Not only are there, in fact, under secretaries who have more advisers than some ministers, disregarding the administrative corruption that this represents. "There are also," commented a military source yesterday, "state secretariats which, to justify their existence, have been prompted to create under secretariats who do not perform their duties different from those of the secretariat itself and any of the general departments in the area."

Just yesterday it was learned that, through the series of multiple cuts that have been made in the budgetary requirements for 1981, the bill on expenditures and funds has managed to reach a deficit of over 3 percent with respect to the gross domestic product. It is the government's intention to reduce it to 2 percent.

In the government, there is hope of attaining that goal, with the understanding that the budget for 1981 must not call for special reinforcements for the military funds. In other words, the enduring peace with Chile will soon assume the resounding form of an echo of the mediating words of the Supreme Pontiff.

2909
CSO: 3010

PAPER SCORES MEASURE PROHIBITING RIGHT OF ASSEMBLY

Buenos Aires LA PRENSA in Spanish 13 Dec 80 p 8

[Editorial: "Restrictions on the Right of Assembly"]

[Text] Through a ruling that presumably emanated from the Ministry of Interior, and was conveyed to those concerned verbally by officials of the Federal Police, the National Convocation of Businessmen (CONAE) has been prevented from holding a meeting of representatives of the sector called for last Tuesday. The entity's authorities learned about the ban 2 hours before the time set for opening the assembly; that is, when the delegates from the interior section of the country were in this capital, in compliance with their obligation. Neither the organizers of the meeting nor the news media were notified of the reasons for the official measure.

Unfortunately, the ban on this assembly confirms a tendency to restrict the right of assembly which the authorities in charge have not corrected nor lessened, despite the disappearance of the reasons which at one time they might have cited for issuing the restrictive regulations. We are far removed from the conditions of public insecurity inherited from the previous administration which, in late 1976 and early 1977, prompted a ban on meetings that might have fostered the action of the terrorist groups either directly or indirectly.

Today, there is no evidence of a need to apply such precautions with extreme stringency, particularly when acts associated with the internal activity of institutions are concerned and thus some expression of dissatisfaction with the government's policy might be expected of them.

The frequent use that is made of the public force to prevent functions or meetings of a different nature, presumably organized to express some worry or concern, does not help to improve the "image" of the government either within or outside of the country. During the past few days, police forces have been mobilized, not only to prevent the aforementioned meeting of businessmen, but also to control the entry and exit of union members from a union local and, finally, to disband a crowd of women in front of the Government House.

The people have formed a consciousness concerning the orientation and purposes of the social, political and labor movements which tend to manifest themselves in various directions, in a context of sincerity and responsibility; and they are not deceived regarding the incidental use that venturesome groups attempt to make of them. There

exists, therefore, a legitimate public interest which must be safeguarded through the exercise of the constitutional guarantees, without denying or weakening it because of fear that other lesser, subordinate interests might benefit.

We must start with the concept that the right of assembly is inherent in others no no less worthy of respect, such as those of association for useful purposes and of free expression of ideas. Insofar as the business entities are concerned, the recent ban is not the first measure that has been issued to the detriment of the rights allowing them to establish their own rules, examine the problems that concern them and voice their opinions regarding certain acts of the government. As early as 1978, the Confederation of Buenos Aires and the Pampa Rural Associations (CARBAP) and the Argentine Chamber of Commerce were the object of interference on the part of the Ministry of Labor, which we cited at the time, associated with internal decisions at their meetings or by their leadership bodies. Later (in March 1979), the Confederation of Central and Western Littoral Rural Associations (CARCLO) was prevented from holding a meeting that it had called to consider the overall economic situation. And in the course of citing government measures aimed at disregarding decisions of the business entities made by the majority of their members, we should recall that the chairman of the Argentine Agrarian Federation, Mr Humberto Volando, was "warned" on 20 October of this year, about "the techniques, style and contacts" which he had maintained during the last months of his tenure.

It is unnecessary to consider the reasons which some of these entities had for judging the government's economic policy in harsh terms. Whatever the reasons for their differences were, what cannot be denied is that those entities attempted to exercise the right to hold internal consultations to study the status of the respective sectors and to set forth their conclusions in search of fitting solutions through the legal means at their command.

One cannot comprehend what irreparable consequences for the government's action the holding of the meeting called by CONAE could have, inasmuch as the government has the necessary communications media with which to discredit inaccuracies, if there were any involved. Even less understandable is the government's decision to repress the comprehensible expression of feelings by women upset over the disappearance of some member of their families. There is no question that some "activists" and fishers in muddy waters were present in the crowd at Plaza de Mayo. But that is not sufficient reason to deny the exercise of the right of assembly and petition on the part of the mothers, daughters or sisters who are really affected by a tragic situation.

2909
CSO: 3010

BRIEFS

AMBASSADOR'S RESIGNATION--San Juan (NA)--The Argentine ambassador to the Soviet Union and former governor of San Juan, Leopoldo Bravo, disclosed that he will submit his resignation from the position to President Jorge Rafael Videla, to engage in party activity, because his group, the Bloc Party, has now stated that "it aspires to be part of the new phase of civic openness announced by Lt Gen Roberto Viola." Bravo made the interpretation that, in accordance with the announcement made by Viola, the citizens' participation will be increased during the period beginning in March of next year. He stated: "From now on, we shall try to continue cooperating, as we have been doing; and, in my capacity as a political leader, I should not be far removed from party activity, so that at the proper time we shall become engaged in that endeavor." [Text] [Buenos Aires LA PRENSA in Spanish 27 Dec 80 Sec 2 p 3] 2909

CSO: 3010

WORKERS LEADER LEAVES FOR EUROPE, MAY MEET WALESA

PY151453 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 15 Jan 81

[Text] Luis Inacio da Silva has left for Europe and the United States. His agenda does not exclude the possibility of a meeting with his Polish counterpart Lech Walesa. Here is our journalist (Amorim Filho) talk with Lula at Congonhas airport:

[Begin recording] [Question] What will the main objectives of this tour be? What will you talk about?

[Answer] More or less what I have told the workers here. We must explain the current status of the Brazilian working class. This working class which is quite unknown in Europe and the United States. I will try to give a true picture of the status of Brazil's working class today, how they live, their purchasing power, their (?relations) with the business class. I will also discuss the political situation of the country. I do not plan to merely disseminate information, but also to gather information in the countries which we will visit.

[Question] And what about your meeting with Walesa, your Polish counterpart? What do you plan to talk about with him, with Walesa?

[Answer] My meeting with Walesa is not certain yet. It is not certain because it is being organized abroad and not in Brazil. I do believe, however, that should there be a chance to meet with Walesa I would tell him about what one of the most active union organizations in Brazil has done in the last 3 years. I intend to tell Walesa that, in the same way that he is trying to improve the status of the Polish workers, we are also doing the same here and practically in the same manner.

It seems, however, that there the government reacts differently from ours. There the government does not send the army and military police to beat up the workers: ours does. Therefore I believe that the exchange of information between Walesa, who has been successful in obtaining little by little freedom for the unions, and us, who have been unable to obtain this freedom because of the strong oppression, is going to benefit both Polish and Brazilian workers. [end recording]

After Stockholm, Luis Inacio will visit Rome, Bonn, Paris, Geneva, Brussels, Amsterdam, London and New York. He is scheduled to return on 14 February.

CSO: 3001

BRIEFS

EARTH TREMOR--Fortaleza (O GLOBO)--Another earth tremor was felt in several Ceara Municipalities yesterday morning, but the tremor, which lasted only 2 seconds, was not recorded by the instruments of the Hernschell-Einstein Astronomy Observatory of this capital. The earth tremor felt in November lasted 6 seconds and was of higher intensity. Yesterday's tremor was felt in Fortaleza; Quixada, especially in the districts of Nova Vida and Oiticica, where a large part of the population left their homes; Pirangi; Sao Bernardo and Baretama; and in Cascavel, where according to the councillor of the prefecture, Jose Pereira Reboucas, the tremor was as strong as the previous one. This was the fourth time that a tremor has been felt in Cascavel. [Excerpt] [PY130033 Rio de Janeiro O GLOBO in Portuguese 13 Jan 81 p 5]

CSO: 3001

PROCLAIMED PLURALISM OF FDR TERMED FRAUDULENT

San Jose LA NACION in Spanish 22 Dec 80 p 14A

[Editorial: "The Fatal Distortion of the Democratic Rebellion"]

[Text] The efforts of the Revolutionary Democratic Front in El Salvador to prove to public opinion in Central America and elsewhere in the hemisphere that the rebellious movement currently opposing the government junta incorporates various social and political sectors in that country--Marxist, liberal, democratic, social democratic, middle class, worker, peasant and business--and that it therefore has a pluralist spectrum is coming up against an increasingly widespread skepticism in view of the distortion subsequently and inevitably affecting the democratic sense of the change once power is won.

It would seem as if the tactic involved waging the struggle in truly pluralistic fashion, through the incorporation in it of all sectors, parties and ideologies opposing the regime, under the banner of a democratic and progressive orientation in which all have free and equal participation, but that once victory is achieved, this orientation changes, being replaced by the need for the Marxist-Leninist group to hold political power exclusively in order to give the tasks of national reconstruction a radical and truly revolutionary course.

The real and contemporary experience of this tactical turn can be seen in Nicaragua. If indeed it is true that in that country there is no Marxist-Leninist regime, it is obvious to all who are able to see the other side of things that the commanders are moving toward that goal in the short or long run. Nicaraguans feel that at this time the Sandinist government is no longer consistent with the original terms and guidelines of the uprising. Freedoms are beginning to be curtailed on the pretext of counterrevolution. The non-Marxist parties and sectors are harrassed by all-powerful and massive government propaganda. Education is becoming a matter of intensive ideological training. All of this points toward the consolidation of the objective and subjective conditions making possible the establishment of the Marxist-Leninist system in the future.

The mechanics never change. The struggle begins by being pluralistic and democratic, but among all the groups and sectors who take part in it, it is the most sectarian and fanatic, in other words the Marxist-Leninist, who fail to pursue these goals, but have other ulterior motives. Their participation in the Revolutionary Democratic Front is fraudulent in the sense that it conceals their true purposes and intentions until victory is won.

Faithful to orthodox Leninism, these groups make use of every means and proclaim in surprisingly dramatic fashion that it is a question of achieving a democratic, free and pluralistic revolution in order in this way to be able to engage the entire people in the struggle. This is the democratic phase of the insurrection movement which ends precisely with triumph. Once power has been won, the second phase begins, involving gradual elimination of the "fellow travelers" and the dismantling of bourgeois institutions. If the Revolutionary Democratic Front triumphs in El Salvador, the same phenomenon will occur and the process will lose its initial pluralistic and democratic nature, becoming gradually more radical.

Only a movement with a truly democratic inspiration and structure can carry out a revolution or democratic change. This is the lesson recent history has provided in Latin America.

5157
CSO: 3010

UNGO EXPLAINS FORMATION OF GOVERNMENT IN EXILE

Caracas EL DIARIO DE CARACAS in Spanish 22 Dec 80 p 14

[Interview with Guillermo Ungo, former member of the junta in El Salvador, in San Salvador, by Richard Izarra ; date not given]

[Text] "This new rightist coup d'etat which has just occurred in El Salvador, disguised by the civil cloak of President Duarte, will only last a few days, for we view this final moment in a whole political, diplomatic and military offensive by the people of El Salvador through their representative organizations--the Farabundo Marti Front (FMLN) and the Revolutionary Democratic Front (FDR)--with great optimism and confidence," this correspondent was told by Guillermo Ungo, a lawyer of 49, and perhaps the most prestigious democratic politician in El Salvador. He is the main leader of the local social democratic movement and the possible future president of the FDR, and thus a member of the new government.

The first time this journalist talked with Ungo was early this year in Costa Rica, in connection with his resignation from the junta.

Since then, "Mano" Ungo seems to have moved many years ahead in his work and radical politics. His key action, undertaken along with the young Hector Oqueli, also a member of his faction, has crystallized in a number of acts of support and solidarity throughout the world. The most recent, just some 70 hours ago, occurred at the United Nations, when the General Assembly approved a resolution condemning the present regime. "Only 13 countries, including El Salvador and the United States, along with the most extreme military governments--the Philippines, Guatemala, Chile, Uruguay, Paraguay and Argentina--voted against it."

During this vote, Venezuela abstained, and this is an excellent indication.

By Christmas Day the names of the men and women who will make up the government which the FMLN-FDR will sponsor, and which will definitely be established in some other country--perhaps Mexico--until it can return victoriously to govern in liberated El Salvador, were known.

[Question] What is the relationship of the democratic leaders of the FDR with the armed and radical "young men" who make up the FMLN?

[Answer] Well, Marcial (referring to Cayetano Carpio) is not such a young man, nor is Shafick (Shafick Handal, secretary general of the Communist Party of El Salvador). This precisely is the very expression of our process: in it we will be old, young and middle-aged--in fact all ages, because the levels of unity and articulation have been improving through practice and understanding of the project. In this sense the FMLN is the political-military vanguard, it is the force promoting the struggle expressed mainly--although not exclusively--in military terms. And the FDR is the broadest expression of the people of El Salvador.

[Question] In forming the new government you have foreseen what happened in Nicaragua with the Robelo phenomenon. Could this be repeated in El Salvador in the establishment of a government?

[Answer] We believe that a phenomenon such as the Robelo affair is not very likely within the new plan for the government of El Salvador, since we have been clear since the beginning: we have a program and existing unity between the FDR and the FMLN is not a concept, but the determining political practice.

The Role of Majano

[Question] Is there a possibility that Colonel Majano will also play a role in the new FDR-FMLN government?

[Answer] An agreement with these sectors would be a guarantee of rapid success at less social and human cost. We do not yet know if these sectors will take a step forward to join in the struggle and identify themselves with the revolutionary democratic government. We view the statements and the recent conduct of Colonel Majano as a positive sign, and we believe that it is not a question only of an individual case. There are others, including within the FDR, who have already responded to the appeal.

[Question] Are the members of the FDR active officers?

[Answer] Yes, active officers. Officers excluded during the process and who played an important role in the military movement.

[Question] Have you drafted plans for the reconstruction of El Salvador?

[Answer] We are at war and it has not yet ended. We do not want to do platonic work. In Mexico there is an institute created by the FDR which is working in this direction. It should not be forgotten that one of the organizations making up the FDR is the Independent Movement of Salvadoran Professional and Technical Workers (MIPTES), to which hundreds of professional workers belong, in addition to the members of each other organization.

[Question] What could you tell us about the role of the Christian democrats?

[Answer] One must ask if it is truly the Christian democrats who control the government. We believe that there are democratic Christian leaders who had some importance in the past. But the true Christian democratic sector is included in the social Christian movement which belongs to the FDR. Internally, we see that the costs of supporting the junta have been very high for the Christian democrats on an international level, because they are being discredited as a political option for Latin America and the Third World in general.

INEFFECTIVENESS OF SALVADORAN JUNTA CRITICIZED

Guatemala City PRENSA LIBRE in Spanish 18 Dec 80 p 2

[Article in the column "National Events"]

[Text] The conflict of personalities causing the change in the government of El Salvador has served to demonstrate, for the umpteenth time, the inefficiency of juntas of three or more members formed at a given moment to rule the destiny of a country, if they do not have a strictly temporary nature and if the period for which they must serve--that necessary to establish balance, to encourage a consensus and then yield to a reliable regime--is not very brief.

These organizations for command appear in the history of peoples when the constitutional order is destroyed thanks to an uprising, a mutiny or a palace coup, in the belief that in times of political crisis, the presence of several commanders avoids the concentration of power in a single individual and gives the movement an impersonal nature. It is, so to speak, a way of discouraging personal ambitions and giving the people the impression that the reasons motivating the leaders are purely reasons of state, of national interest.

The extent to which this is achieved depends, as we said, on the speed with which the mission is completed and the command functions are normalized. If a junta lasts beyond a prudent period, the differences, the ambitions and the disagreements within the group begin to be evidenced, little by little distorting the task they assumed or which was assigned them by others. The energy which should be focused on the duties of command is wasted on protecting one's position or trying to gain advantage over the others.

That this should happen is the result of human nature and the pernicious influence power has on the personality. It is pernicious in that it produces changes in the individual's set of values. Power, for the majority of human beings, leads to an exaggeration of one's own value, an increasing appetite for command and control. It is in a way like a drug which causes a delightful sense of predestination in individuals, more in some and less in others. Ambition, excessive love of self, the desire to impose one's own criteria on others and resentment when this is not achieved serve in the end to transform government committees into a nest of intrigue, making them inefficient.

Command is a matter of a single person. It is possible to govern jointly but command is individual. The peoples have an instinctive mistrust of government committees, in which the responsibility is diluted into quota parts. They prefer to know exactly who decides in order to feel secure. They can follow one man, but they find it difficult to distribute their attention or to have to establish priorities within the group. In the final analysis, they can accept individual dictatorship insofar as it is fruitful and provides them with the security indispensable for the development of their tasks, but they experience extreme difficulty in relating to a collective dictatorship.

With the junta in El Salvador the process of deterioration was inevitable because its term of office extended beyond a wise period, and because of the fact that there was within it a tendency toward disagreement. It had to be thus, because the military coup was inspired by the State Department, promoted by the proconsul, and was not the product of spontaneous uprising. North American interference deprived it of authenticity and homogeneity. It sought to become, according to the particular criterion of the State Department revolutionaries and ideologists, a pluralistic, pseudodemocratic, pseudorepresentative revolution--in brief, a monster alien to the real situation and the desires of the people.

On the other hand, the presence of strong and opposing personalities within the junta made it essential to decide as soon as possible which of them would prevail. The most aggressive, naturally, was Colonel Majano--who now may have joined the guerrillas, who was known to enjoy North American sympathy because of his radical leftist position. For him, the junta was only a first step toward total revolution, with him as the standard bearer. And had it not been for the firm attitude of Colonel Gutierrez, supported in the leading garrison by Colonel Garcia, he would have achieved his intention. The breakup was inevitable and easily predictable. This was a junta lacking cohesion, with a task too large for it.

With the junta administration a failure, the fate of the presidency of Duarte, a charismatic man but unknown in terms of leadership qualities, remains to be seen. His experience as a mayor guarantees nothing. He was in fact unexceptional. The current crisis demands many and unusual virtues. If Duarte does not have them, a military, personal dictatorship will have to be established in order to deal with the immediate future.

5157
CSO: 3010

PRIME MINISTER HOLDS PRESS CONFERENCE

FL261447 Havana Domestic Service in Spanish 1416 GMT 26 Dec 80

[Text] Grenada's prime minister, Maurice Bishop, has reaffirmed in a press conference in Havana that the New Jewel Movement will strengthen its relations with social forces, political organizations and progressive peoples. Bishop said that the role the New Jewel movement will play in the socialist international will be to focus on antiimperialist, anticolonialism, antiracism and antineocolonialism affairs.

Speaking about the measures adopted in Grenada to face an imperialist aggression, Bishop said that Grenada can only be defended by committing itself to increasing production, by building a firm national economy and by destroying independence [as heard] on imperialism. He also noted the need to develop the revolution's defense capabilities by means of giving military training to the masses in Grenada. Bishop said that militia members are recruited and trained in the use of arms in Grenada so that in case of war they will not have to depend solely on the revolutionary people's army.

Concerning cooperation between Cuba and Grenada, he asserted that there are fraternal ties with the party, government and people of Cuba which are being developed since the very beginning of the Grenadian revolution. Bishop noted the aid Grenada receives from Cuba. He stressed that the Grenadian people highly appreciate the honesty and work of the internationalist Cuban workers.

Bishop also noted that the general, social and political impact of the work undertaken in Grenada in the areas of health and education has been extraordinarily important in consolidating the revolution.

The best moments for Maurice Bishop in 1980 were being in Nicaragua on Sandino Day in February and on its first anniversary on 19 July, and in Cuba on 1 May and during the second congress of the Communist Party of Cuba.

Concerning El Salvador, Bishop said that the Grenadian people have closely followed events there. When Archbishop Romero was assassinated, Grenadians proclaimed a day of national mourning, he added. The Grenadian people are increasingly aware of what is happening in El Salvador, Bishop asserted at his press conference. El Salvador's patriotic forces can count on the full support of our party, our government and our people, the prime minister emphasized.

CSO: 3010

MORE TERRORIST BOMBINGS, POLICE SEEK PERPETRATORS

Causes of Terrorism

Paris LE MONDE in French 7-8 Dec 80 p 1

[Editorial]

[Text] Bombs have once again gone off in Guadeloupe. The event must be considered in a calm and measured way, and in detail. This time these devices did not injure anyone, but their recurrence leads one to wonder whether a real organization may not exist.

The impunity the perpetrators continue to enjoy, despite a formidable police deployment against opposition centers, encourages the investigators themselves not to discount completely the possibility of provocation. After all, some might find it in their interest to cause problems for the government and compromise its policy of welcoming investment. The same people might wish to discredit the idea of a Guadeloupian "nation" which seems to be gaining ground again.

These explosions are coming in tandem with a real hardening of local political attitudes. Once again passions are heated, and the most extreme proposals are in confrontation: on one side the departmentalists still clinging to French status, on the other those who more or less rally around the [italics] "national" [end italics] idea.

Autonomy, the middle road, until quite recently espoused by the majority, no longer seems to appeal to anyone. It is even disappearing from the current vocabulary of the local parties. Government policy, even though dealing serious blows to certain special privileges and to certain habits of economic parasitism, accentuates thes "bipolarization" by strengthening departmentalization.

And there are also the disturbing aspects of some of these confrontations when "anti-mother country" racism gets inextricably entangled with the "poor white" mentality of French [settlers] who have just recently come to Guadeloupe. (See the article [below] by our special correspondent D. Pouchin on page 16.)

Plastic Charges Set Off

Paris LE MONDE in French 7-8 Dec 80 p 16

[Article by Dominique Pouchin--passages between slantlines originally published in italics]

> [Excerpts] Two new bombing attacks were committed in Guadeloupe Friday 5 December at approximately 2230, causing serious property damage to the quarters of the consul general in Basse-Terre and in the Palace of Justice at Pointe-a-Pitre. These attacks--like the previous ones committed on 17 September and 17 November--have not been claimed [by any individual or group]. However, they are generally attributed to the GLA (Armed Liberation Group) which claimed responsibility for four others between March and August. The GLA had given an ultimatum to Frenchmen from the mother country to leave the island before 31 December "on pain of being considered as enemies of the people."

The GLA has struck. And there, in that corner of the palace where policemen, detectives and magistrates, the idly curious, and those responsible for filling out reports mill back and forth, no one seems really surprised. /"They are strong,"/ says a rather modern and cynical inspector, his flashlight playing over the rubble of the shattered office. /"Yes, strong and determined. But they came within a hair of having a death on their consciences: the concierge went in to close a drawer...Three minutes later, it blew up!"/

2225: in the beautiful surroundings of old Pointe-a-Pitre, with its checkerboard pattern of colonial houses, between the port and the new additions, five cakes of dynamite perched on a window-sill exploded, blowing up an office and shattering windowglass nearby. At the same moment, a similar device shakes Basse-Terre, barely asleep, some 60 km away. The operation--apparently coordinated--produces an immediate mobilization of a good portion of the police appartus which, passably reinforced in recent weeks, hunts throughout the island in vain for the terrorist. The police, in short trousers and stockings, bar the roads. Detectives begin to /"prowl about near the houses of suspects."/

Wasted effort, as if, once again, one had to start from scratch to find the tracks, a small trace of those who, even last Sunday, had been referred to rather lightly by the tranquil prefect, Guy Maillard, on the platform at a communal festivity, as /"self-proclaimed bombers."/ Concerned not to dramatize the situation at a time when the charters are booking for the big tourist season, the authorities are trying to minimize the impact of the successive attacks, vowing to anyone who will listen to them that in no way do they disturb /"the perfect tranquillity of the island."/ But the official line scarcely conceals a real anxiety: who is really hiding behind the letters GLA? Heavy reinforcements of police have come from the metropolis. Mixed teams--with Guadeloupian police--have been hurriedly created. Interrogations, surveillance, investigations have increased. Without the slightest result, except for a growing mobilization of leftist forces, whether or not they demand independence.

It is true that almost all the investigative work has focused on the militants and nationalist or revolutionary movements, even though they have all publicly disavowed the attacks. The recent interrogation of a labor organizer at his place of work, then the investigation of the premises of the Socialist Revolution Group (Trotskyite) conducted without a warrant since, by virtue of a [illegible] flagrante delicto which has continued...for almost a month are [illegible] actions have in recent days aroused a unanimous chorus of protest from the left.

Some detectives themselves are privately amazed that only one hypothesis is seriously entertained, a hypothesis which seems to lead in only one direction. In short, an inspector confides, /"[astonished] that there is not the same suspicion and investigation of all those who, in varying degrees, stand to profit from sowing fear and confusion."/ An allusion to one theory, among a thousand others, whereby these attacks are the work of "provocateurs!" Thus some were aghast to learn that there was no real guard on the palace of justice at such a time. /"The grilled us for 24 hours," says a detective. /"Considering the [upcoming] arrival of Mr [Paul] Dijoud [French secretary of state for overseas departments and territories], we would certainly expect them to do something, and a plan for the surveillance of edifices and possible suspects had been scheduled for Saturday and Sunday..."/ The GLA chose Friday. Coincidence? /"Good question,"/ answers the detective.

Might the tension sustained by these waves of attacks incite [anger, more open] confrontations in the future? Some, on the right, do not disguise their intention of /"mobilizing"/ themselves in turn /"if the others want to destabilize the country."/ The threat seemed sufficiently serious to cause the prefect to reassure [illegible] the most nervous not to create /"private militias."/ But several anonymous letters have already announced here and there the birth of /"Committees for the Armed Defense of Guadeloupe."/ And the walls have also been covered with graffiti. Opposite the shattered window of Judge Samuel, a Cross of Lorraine adorns a white crepi [translation unknown]: /"Long Live French Guadeloupe!"/ says the caption, signed SAC [Civic Action Service?]...

9516
CSO: 3100

COLUMNIST FOCUSES ON INDIAN PLIGHT

PY160207 Asuncion ABC COLOR in Spanish 11 Jan 81 p 10

[Article by Alcibiades Gonzalez Delvalle: "On the Road Toward Extermination?"]

[Text] The same thing happens with the Indians as with the Chaco war veterans. We feed them with eloquent speeches and good intentions. We show off by expressing the most beautiful, touching and patriotic words. But in practice we do nothing to improve the painful situation which hurts them every day.

The Toba-Maskoy case puts before us again the Indian problem in our country: the land; the lack of land.

On other occasions, we have pointed out that Paraguay is geographically larger than Japan. The Asian nation has more than 100 million inhabitants, and we only have 3 million. However, there is no land. Despite our sparse population, we still murder one another for a piece of land.

Yes, there is no land. There is no land for those who need it to live, and among them are the Indians, the true owners of the land.

What is going on?

A few companies, a few persons have taken over the lands. The following figures make one tremble: there are people who own more than 1 million hectares; 500,000 hectares; 300,000 hectares; 200,000 hectares. And if a piece of land is asked of those people to relieve a social problem, they scream at the top of their voice.

The problem worsens because the Institute of Rural Welfare [IBR] has squandered the lands, as has been repeatedly stated.

It is true that many farmers have benefited from IBR lands, but it is also true that instead of becoming homesteads, the lands which were administered by IBR have been converted into prosperous cattle ranches, among other things.

Because of their economic power, those big companies that own immense expanses of land are above the laws of the country. They behave as the true masters of the republic. Someday Carlos Casado, the Paraguayan Industrial Company and other companies should be held accountable to the nation for the endless misfortunes which they cause us.

In the Toba-Maskoy case, Carlos Casado again shows its incredible insensitivity. Most of the members of that Indian tribe have worked as laborers, lumberjacks and so forth for the company. And now these Indians live as outcasts in their own land.

The remarkable thing about the problem which the Toba-Maskoy are facing, like other Indian tribes, is the fact that the national authorities cannot make a decree obeyed.

Or they do not want to. It is presumed that when the decree was drafted, the need to adopt a measure must have been taken into account, but the need has been denied by allowing Carlos Casado to refuse to comply with a government decree.

Of course, in this case the legal question is not the most important thing. That is, it is a waste of time to discuss the scope, projection and danger of not complying with a decree. In our country, this has become customary, and there is no reason for surprise. Here, the main question is that an Indian tribe is going along the road of extermination, and only because a company, which is one of the most harmful that the country has to put up with, does not want to give away a piece of land that it does not use.

If this country has to continue bowing to the rudeness and arrogance of these robber companies, our fellow citizens--including the Indians, of course--will soon become the new serfs of an old empire.

CSO: 3010

SOCIALISTS DIVIDED ON FUTURE COURSE FOR COUNTRY

Amsterdam ELSEVIERS MAGAZINE in Dutch 1 Nov 80 pp 22-25

[Article by Sig W. Wolf]

> [Text] Three socialists ideologists plagued by discord in the party on the future course of a New Suriname visited Paramaribo. They wanted to see for themselves if Jan Pronk and his followers are right when they shout: down with the sergeants of the junta. The triumvirate's worries are over: Suriname deserves help. This can deliver 60,000 votes in the Netherlands.

Jubilant and with the pretentions of a courageous expeditionary force the Labor Party discovered Suriname. It is the Suriname of the new order and business-like approach, since 25 February led by a military government plus a civilian government which sustains itself with a bundle of decrees. A three-member socialist delegation returned recently in a state of elation from a 5-day lightning visit to the New Suriname. Chairman Max van den Berg, Deputy Chariman Bram Peper, and alternate Second Chamber faction leader Ed van Thijn became enraptured about their experiences over there. "The Chin A Sen government gives Suriname the best chance to achieve its three goals: stability, preparedness, and social justice. Party Chariman Max van den Berg said it so smartly: "We must support this government." Therefore a cheerful message. But also not very reassuring. And for this reason received with a lot of suspicion in the government offices in Paramaribo. This Surinamese suspicion is not inspired by any lack of vigor and action of the three socialist leaders under the merciless sun of the tropics. On the contrary. The three delegation members scurried like firemen to government bureaus, departments, private addresses, and headquarters of enterprises. Whosoever happened to be absent and still longed to tell his story could do so 24 hours a day around the circular pool or at the Saramacca Bar of the luxurious Torarica Hotel. One of the members of the triumvirate was always there. Not just for a generous handout of glasses of rum punch. Consequently visitors kept coming and going, the experienced and the inexperienced.

The announcement of their visit by the three PvdA members at first caused some anxiety among the government leaders in Paramaribo. They were afraid that the delegation would mainly be an encouragement for leftist elements to file complaints. However, there were also suspicions about the intentions of the socialist mission. People still vividly remember a tirade against the military held shortly after 25 February by Jan Pronk, another PvdA leader. In the Second Chamber he urged the government to stop aid to Suriname and immediately withdraw the Dutch military mission. Pronk also stated that human rights, a favorite topic of the socialists, were violated in Suriname.

This socialist view of the developments in Suriname was not gratefully received in Paramaribo. Ad Kosto, Second Chamber member for the PvdA, can attest to that. Three months ago, when he visited Suriname with a delegation of the Interparliamentary Union for Suriname to investigate if parliamentary democracy is still functioning over there, he received a dressing down. Nevertheless during the past months Suriname has not been spared socialist criticism. One more reason for the men in power in Suriname to sharply watch the comings and goings of the PvdA ideologists. However, Paramaribo also realized very well that the visit of this triumvirate provided an excellent chance to give a deft explanation of what is taking place in Suriname. The red carpet was therefore generously rolled out. In intimate meetings President Chin A Sen and Vice Prime Minister Haakmat explained the plans of the new order to their best advantage. They emphasized that the policies now outlined are the only alternative Suriname has. This is not such surprising news because in the past months Vice Chairman Bram Peper had already taken a good look in the Surinamese political kitchen in his capacity of member of the Committee for Netherlands-Suriname Development Cooperation. Especially conversations held late at night with President Chin A Sen during two recent visits provided Bram Peper with extensive information.

However, his information and insight were not well received within the top socialist echelons. A PvdA leader said: "We find Bram too optimistic. Because of his deep involvement in the Surinamese affair we are afraid that he has lost sight of objectivity." But it was not just the good news Bram Peper delivered caused bewilderment in socialist ranks. Many socialists were stung by the message that a lot of suffering in Suriname before 25 February was also caused by Jan Pronk, who was then minister of development. The development policies for Suriname which later appeared to be so disastrous were made while he was in charge. Pronk sanctioned the manipulations of Arron and his cronies and did not listen to ever louder criticism of a proliferating spoils system and a failing economic policy. Not even when the people demonstrated against this by a mass exodus to The Netherlands.

President Chin A Sen and his foreign minister, Haakmat, pointed out this once again to the visiting triumvirate. They also insisted on a positive approach to the present developments. Although no spectacular results can really be reported, the present government can claim that it acted forcefully. The "gigantic" civil service of 50,000 workers has already been trimmed down by 10 percent. Construction of low income housing is moving ahead. Ways are being found to make funds available for the execution of the urgency program via internal cuts and savings. As far as this is concerned a strong brake was applied to the hiring of experts within the framework of technical assistance which resulted in savings of 9 million guilders per year. This available amount will be used to lure Surinamese who are now in the Netherlands back to the land of their birth to participate in its reconstruction with attractive salaries. For instance, workers with university degrees and advanced technical educations have received salary increases of 35 percent.

As regards development projects the government is now following a radically different course of action. Small agrarian and industrial projects receive priority. The ambitious West Suriname project, which devoured millions of guilders, will be shelved. Instead all energy is being directed to the Kabalebo project, a hydroelectric power station. Two weeks ago the Surinamese reconstruction

minister, H. S. Adhin and his colleague Chehin, the minister of [illegible], discussed a modified design and the financing of the Kabalebo power station with the World Bank in Washington. With the support of Dutch civil servants of the Dutch Ministry of Finance the last obstacles to financing the project were cleared away. Agreement was also reached with Minister de Koning on Dutch assistance for the execution of the urgency program of the Surinamese government.

In the meantime private enterprise has also begun to follow the new course. The American bauxite company, Suralco, decided to invest 60 million dollars in its Surinamese plant after it had first scrapped this plan.

The Surinamese government realizes that in spite of these material improvements domestic and foreign confidence has yet to be won.

Anxiety about the absence of a number of fundamental cornerstones of a "democratically" governed nation has not yet disappeared. An ignored parliament, a ban on meetings, press censorship, and continuous postponement of the trials of allegedly corrupt individuals are damaging the credibility of the new regime. Suriname is aware of the consequences. It is frantically trying to iron out the difficulties. This very month the Planning Council for Social and Economic Development will be installed; an organization where employees, employers, and the government can meet. The Surinamese alternative for a parliament, a national assembly consisting of representatives of social segments of the society will be in operation before the end of the year. Its first task will be to approve the new constitution which has just been completed.

This serious effort to restore a normal situation as soon as possible did not fail to impress the Dutch government. Government circles in The Hague are heard to say: "Cooperation between the Netherlands and Suriname was never better." Last week this concept was underlined by sending a very important interdepartmental delegation under the director of Minority Affairs of the Ministry of Internal Affairs, H. Molleman, to Paramaribo. Officially this delegation will discuss the repatriation of Surinamese citizens. However, it carries a generous mandate to discuss several articles of the treaty which expires on 25 November. The government wants at all costs to prevent valuable relations between the two countries from being disturbed, as happened recently when the Dutch unilaterally introduced visa obligations for Surinamese citizens. This is a "blemish" which should in the future be prevented at all costs.

PvdA Chairman Max van den Berg alluded to the above when he declared on his return that the Dutch waited much too long before they began to talk with the Surinamese government about future developments. He called this unacceptable and pointed out that there are special ties between the Netherlands and Suriname. Our nation has a special responsibility according to Max van den Berg.

More than just an obligatory friendly gesture towards Suriname, his statement was especially meant to allay the discord among socialists on their attitude towards the government in Paramaribo. Confronting the pro Surinamese policy of Bram Peper and Ad Kosto are Pronk and his followers who are eager to unremittingly harass the "present military dictatorship" in Paramaribo. That is unpalatable to the group of Bram Peper and Ad Kosto who are looking for ways to restore their party to power. They do not see an alternative in Suriname as stable and sincere as the duo Chin A Sen-Maj Desi Bouterse, but they also fear for the bill they could receive for the elections in May. A total of 60,000 votes of eligible Surinamese in the Netherlands should not be ignored.

10319
CSO: 3105

COPEI OFFICIAL EVALUATES 1980 FOREIGN POLICY

Caracas EL DIARIO DE CARACAS in Spanish 28 Dec 80 p 4

[Interview with Leopoldo Castillo, COPEI's secretary of international affairs, by Maria Eugenia Diaz; date and place not given]

[Text] According to Leopoldo Castillo, secretary of international affairs for COPEI [Social Christian Party] and secretary of the Foreign Relations Advisory Committee (CARE), the diplomacy of projection during 1980 "was a complete success."

In his analysis, Castillo reviewed the bases of Venezuela's foreign policy which, he maintains, "is not confined to a mere presence; rather, its action has been accompanied by serious policies which have produced an orderly, coherent and realistic quality in direction and orientation."

[Question] What is Venezuela's responsibility toward the international community?

[Answer] To be able to respond to the current historical situation.

[Question] What does that mean?

[Answer] That means that we are currently living in a world that is difficult, in a state of upheaval and beset with economic problems, with hegemonies in blocs; in other words, with an international order of affairs that is conflicting and difficult for the developing nations. In this situation, the three basic concrete goals proposed by this government's international policy are: the search for a new international order, the search for institutionalization of liberty and the search for an area of security and presence for Venezuela.

[Question] What has been done this year to achieve a new international order?

[Answer] Venezuela is aware of its negotiating capacity, given to us by the stability in our political system, and the fact that we are an oil exporting country, as well as our participation in the Andean Group, and the geopolitical circumstance of being a Caribbean, Andean, Atlantic and Amazon country. Those factors have determined this negotiating capacity, and this capacity requires that we be able to play a major role.

This year, Venezuela has played a fundamental role in the Organization of Oil Exporting Countries (OPEC). This year, it chaired the 55th conference held in Caracas

during December, when it had or proposed to its members plans and programs which transcended the mere setting of oil prices: for example, the organization of the OPEC news entity, now headed by a Venezuelan; the special funds to assist countries affected by the increase in oil prices; its position within the OPEC Bank to facilitate development programs. This action on the part of Venezuela has been recognized internationally, and is appreciated by the developing countries. Michael Manley has just expressed that appreciation in an interview.

This year, Venezuela chaired the group of 77, a key factor in the talks of the North-South Dialog, a multilateral dialog to achieve a more just world, and to close to some extent the gap between the developed and the developing nations.

The 77

[Question] Wherein lies the success of Venezuela in the group of 77?

[Answer] Obviously, in order to attain that chairmanship and leadership, it had to be backed by a constant quality as a nation which has worked for the benefit of other developing countries, that is, by itself. I am referring to everything involved in the North-South Dialog, such as the transfer of technology, and the establishment of industries and business firms, During the last conference, in Belgrade, Venezuela also obtained the chairmanship in the area of communications; and several conferences were held in Caracas, such as the ones of crime prevention, and the development of women. That is because of Venezuela's clearcut, definite position!

The Institutionalization of Democracy

[Question] What has Venezuela's success been on the continent? What has it done with that principle of the institutionalization of democracy?

[Answer] In the area, we desire and foster the establishment of regimes which are a genuine reflection of the people's will and which promote the social and economic progress of those nations. And, of course, to us the only path that can lead to the institutionalization of liberty is representative democracy which will intensify social reforms and contribute to real participation by the people.

[Question] But what has been done about those statements?

[Answer] Positions such as that of Venezuela on behalf of democracy have had the effect that countries such as Ecuador, Peru, Panama, Honduras, El Salvador, Nicaragua and Jamaica feel that they have support in the search for democratic courses of action and democratic alternatives; and most of those countries either already have it, or are heading toward it. In Nicaragua, for example, Venezuela's position has greatly restrained the radicalization of a process.

[Question] And why are elections in other countries successes for Venezuela?

[Answer] They obviously are. When Venezuela is in attendance, when there are bilateral meetings, and when there are multilateral meetings, Venezuela pressures, insofar as it can pressure, without intervening, advocating democratic changes. Nowadays, international opinion is very important, and the opinion of a country

such as Venezuela is very important...and the constant statements made by President Herrera and by the Venezuelan Foreign Ministry on behalf of democracy foster those changes. The results would be different if Venezuela remained on the sidelines, if it did not express an opinion, or if it did not give any indication.

In addition, it has helped the traditional dictatorships to see the democratic solution as an alternative for their people, as in the case of Uruguay, Argentina and Chile.

[Question] In other words, the plebiscite in those countries is a success for Venezuela?

[Answer] That is no more so than that the plebiscite is held by Venezuela. But if one keeps exerting pressure every time there is conversation, Venezuela has been contributing something. And the proof lies in Venezuela's chairmanship during this 10th session of the Organization of American States, when it has been a presence established unanimously. That was a very serious and very critical meeting, which required a chair that was very balanced, with credibility and the recognition of the other countries. Venezuela was the pointer on the scales.

[Question] Isn't that kind of "exerting pressure" to bring about a change intervention?

[Answer] There is no attempt at intervention, because there is no intervening; but, with my action, with my presence, with my advice and with my style, Venezuela is stimulating the other country, and that is very important and very difficult in countries such as ours, which are so suspicious and which feel that the slightest thing might be considered intervention, where there are obviously no imperialist interests nor territorial expansion nor anything of the sort.

Haiti and El Salvador

[Question] What about Haiti?

[Answer] President Herrera sent a mission there, headed by Hilarion Cardozo, who showed the Haitian Government the democratic facilities and alternatives. Obviously, that cannot be achieved overnight, but it had been totally disgarded before, and now it is not. The talks have continued and they have observed the possibilities of benefiting from an agreement on energy, etc., and of becoming incorporated into a brilliant new period that Latin America is experiencing, which appears to be a democratic period.

[Question] And what about the policy toward El Salvador?

[Answer] The declaration from Santa Marta is evidence of the success; the fact that Napoleon Duarte was a member of that group of presidents which met there is an endorsement from Colombia, Peru and the other countries represented there. It is very obvious. Bolivia did not go, with Garcia Meza, and El Salvador did go, with Duarte; so it cannot be claimed that the backing is exclusively from Venezuela. There must be a conviction that this matter of El Salvador is not obstinacy, and is not based merely on the fact that it is the Christian Democrats. It is simply

that Napoleon Duarte is the alternative that will enable that country to head toward democracy, and other nations of the world have realized this.

That is still another achievement of the institutionalization of liberty, and when El Salvador shows results, and when it calls its elections, then history will prove us right: What we backed was the democratic effort.

Security and Brazil

[Question] What has been done in the area of security?

[Answer] When Venezuela upholds a clearcut position in defense of national identity in UNESCO, when it calls for a new order in communications, Venezuela is striving to maintain its national identity.

[Question] And with Brazil?

[Answer] The first visit of a Brazilian president to Venezuela took place during this administration. An obvious cooperation has been maintained. A clear example of this was during the problem of oil supplies besetting that country after the war between Iran and Iraq, when Venezuela put 20,000 barrels of oil at its disposal. We rejoice over the fact that Brazil is on a definite path toward a democratic process.

The Caribbean and Cuba

[Question] Let us move to the Caribbean area....

[Answer] The plans for cooperation have materialized this year. With Carlos Andres Perez, promises and more promises were made, but nothing happened; and we ourselves paid for promises that the sea took away. The visits by presidents of small Caribbean countries are proof of the fact that they observe in President Herrera the truly international desire to promote something, and that is a success, a success for the diplomacy of projection. The visits by Christian Democratic leaders and by persecuted leaders who hold their ceremonies here...the Hubert Matos ceremony is of great significance...which country did they choose?

[Question] The enemy country of Cuba.

[Answer] No, the democratic country and, being democratic, the enemy of Cuba, because they are totalitarian!

[Question] The diplomacy of projection is blamed for having lost Cuba, with which we maintained a necessary coexistence.

[Answer] This coexistence continues to be of interest. The fact is that, since the government of Luis Herrera Campins maintains a presence in Nicaragua, and a definitive presence in El Salvador, and maintains close relations with the eastern Caribbean, and Cuba is in the subservient situation of having to support the Soviet Union's invasion of Afghanistan, and realizes that Venezuela is willing to play a role, the relations were carried out hastily. Then the problem of the exiles began. We had 19 human beings there whom we could not abandon. If we withdrew, the police would enter the embassy and eliminate all of them.

[Question] Then the Andean Pact and the dispute were not strong points this year....

[Answer] Insofar as integration is concerned, we are doing everything possible, because that is the path toward unity. The Andean Pact has had a new political facet, which has been a determining one. But it is not something that can be accomplished overnight; the process is slow and difficult. If it had stopped, there would have been a failure, but it has continued. And as for the boundary dispute with Colombia, it has been proven that the best way of solving it is the expedient of direct negotiation.

2909
CSO: 3010

HERRERA ADMINISTRATION'S PAST, FUTURE EVALUATED

Caracas EL DIARIO DE CARACAS in Spanish 26 Dec 80 p 3

[Article by Miguel Rodolfo Blanco: "Luis Herrera and COPEI Want to Go Searching for Lost Time"]

[Text] As 1980 ends (a year which the leading opposition bloc, CTV [Confederation of Venezuelan Workers] considered "very difficult for the workers"), no one is surprised that the members of the government party, gathered for the natural Christmas celebrations, are in agreement for the first time in the last 365 days. It is to proclaim, as they are doing now, that 1981 will be good, reassuring and better; and that a period of optimism is beginning, marked by the demise (announced to the four winds) of the "freezing" of the Venezuelan economy.

On this occasion, strangely enough, there are no "Calderist" members of COPEI [Social Christian Party] disagreeing with "Herrero-Pedro-Pablists." There are no nuances and no factions expressing themselves in harsh plays on words, or in disputes aired in press statements. The description of the solidary bond that should always unite members of the same party has been forgotten; there are no longer any distinctions between "intelligent solidarity" and plain solidarity. Now, although it is because of a strategic issue, the latter is prevailing, since it was decided at the last meeting of the heads of COPEI that it is not the presidential candidacy that should concern the minds of those in the green party. To put it bluntly: that the candidate will be Rafael Caldera.

The others, if there are any, will have to keep their mouths shut for a while. There is too much uneasiness in the party because of the results of the executive branch's administration to be able to successfully contest what belongs to the one who inspired the Social Christian Party in Venezuela almost by right. With this state of affairs, actually, Rafael Caldera should adopt the slogan which led to the victory of Luis Herrera. In the present situation, he seems to be the only one capable of straightening "this" out. However (it should be explained), the reference should not be confined to Venezuela, but rather to the image of the COPEI party in the eyes of the national and international public itself.

The Lowest Point in the Hammock

It was Caldera himself who recently, perhaps paraphrasing the president's prairie humor, who admitted that, according to the polls, the party is "at the lowest point in the hammock." And everyone (both within and outside of COPEI) knows that this

loss of prestige had nothing to do with Caldera. On the contrary, the same poll gave the green party leader a big advantage, as the most popular politician in Venezuela.

That opinion poll may perhaps have led to a revamping of the party and government policies. The members of COPEI, who had never made use of a "mea culpa" in this administration, suddenly reassessed the virtues of self-criticism. And instead of laying the blame on the administration of Carlos Andres Perez, as they have always done, they prefer to allude to the mistakes made both within the party and in the executive branch.

They are doing so intelligently, assuming two positions: On the one hand, the "Calderists" are stopping the "constructive" criticism that they had been making; and, on the other, Minister Rafael Montes de Oca (possibly the most sensible politician in the current administration) has said on television (strangely enough, agreeing with CTV, even though only in format) that 1980 has been "a very difficult year."

Thus, COPEI thinks that, by strengthening the internal image and giving the national economy a slight respite, the government will make a considerable improvement in its image with a view toward 1983, at which time Caldera's prestige would do the rest. It appears to be a simplistic analysis, but nevertheless it responds completely to the aspirations of those who want "COPEI members to be in Miraflores for a while." For the present, no one can discern a different method.

However, a review would have to be made of the factors which caused the downward trend in COPEI's credibility among the public, to show that it will not be so easy for the COPEI members to recover what has been lost.

The Errors in International Policy

In the realm of international policy, for example, there have been no fewer than four key events which prompted not only the belief that the government had inept advisers, but also that it certainly did not gage the consequences of certain proposals.

The demarcation of marine and submarine areas in the Gulf of Venezuela obviously ended with a defeat of the government's judgment which, as was noted, did not agree at all with the opinion (whether wrong or not) that the people hold on that issue. And, what is also very serious, it did not agree at all with the aspiration that the military leaders presumably have concerning the government's defense of Venezuela's rights to the sea. The publicity about that defense gradually dwindled, the views expressed against the agreement multiplied, the leading Venezuelan negotiators resigned, and Luis Herrera only said that the matter had to be shelved until after Christmas.

The likely release of those alleged to have been responsible for the explosion of the Cuban plane, Orlando Bosch, Freddy Lugo, Luis Posada Carriles and Hernan Ricardo (an act of the military justice system for which the president claimed not to be responsible in any way) would not only be a critical factor in a potential definitive break with Cuba (after the friendship achieved during CAP's [Carlos Andres Perez] time),but might represent discreditation internationally, because terrorism, whatever its origin, must always be condemned by democracy.

The well-known backing for the government junta at a time when obviously criminal incidents were occurring in El Salvador (for which a large portion of world public opinion blames the junta itself) was also a factor which unified the opposition in a cause of condemnation. Moreover, understandably, that backing did not contribute anything toward the international solvency of a peaceful, democratic Venezuela.

The politicization of the Andean Pact, which Luis Herrera's government repeatedly applauded, is at the point of putting an end to that economic accord. This was another error which caused trouble, particularly in the internal area, because it is known that Rafael Caldera has always been opposed to political interference in the Pact.

Internally, an Economic Crisis

Insofar as national policy is concerned, the economy was certainly the triggering factor in growing dissatisfaction among the people. The problems of prices, inflation and the cost of living, to which was added the theory of efficiency ("only the efficient business firms will survive"), and the consequent closing of industries, added to the increase in unemployment, shaped in public opinion an overly adverse image for Luis Herrera and his team. To top it off, the cabinet changes which had been announced to the point of surfeit never occurred.

As a result, the defeats in the few battles against administrative corruption (battles which, as in the case of the vessel "Sierra Nevada", had an overtly political aspect) did not leave the government in a good light and (obviously) strengthened the guilty ones themselves. The image which former President Carlos Andres Perez has now is not exactly that of a politician in disgrace.

As for the distribution of food (an essential service), the shortcomings of CORPOMERCADEO [Marketing Corporation] and the loss of tons of food have not been forgiven, nor can they be forgotten. Will that agency be closed at the end of the year, as Minister Luciano Valero promised?

Transportation is still no less troublesome, as is urban sanitation which, despite the constant publicity about its accomplishments, was criticized by the president himself a few months ago. Obviously, Luis Herrera cannot forget that in his campaign he promised a government based on effective public services.

In addition, it should be recalled that the government had serious conflicts with the news media (the television networks in particular) following the progress of the criteria upheld in the RATELVE [Venezuelan Radio and Television] Plan and the Sixth Plan of the Nation, regarding state interference in the broadcasting of information and entertainment.

The Worse It Is, the Better It Is?

But now the government appears to have decided (together with the party, which is what is important) to make up for lost time. In this endeavor they will surely use all the available forces to recover the image and the hope which preceded their coming to power in 1979, when it was claimed that the country was mortgaged.

And in this respect we must recall the famous theory of David Garth (COPEI's leading American adviser), to the effect that the first 2 years of government (the period of "economic reorganization") would not be good, but that, during the last 3 years, wealth would abound and social development would be accelerated.

Can it be true? Would that it were. No one wants a Venezuela beset by crisis, nor would anyone want to see its inhabitants, especially the poor, who are the president's favorites, prevented from enjoying the inevitable oil income that continues to grow.

But, judging from a joke which the AD [Democratic Action] members are circulating now, David Garth has been taken too seriously when he claims that the first 2 years would not be good. The members of the white party sarcastically say that Luis Herrera's government will have 2 good years and three very bad ones, but that the 2 good ones have already ended.

2909
CSO: 3010

BRIEF

ARMS SEIZED AT MAIQUETIA AIRPORT--Maiquetia, 29 December--DISIP [Directorate of Intelligence and Prevention Services] personnel have seized a large number of firearms and weapons with blades from travelers at this Simon Bolivar International Airport who were preparing to board airplanes on national and foreign flights. The DISIP chief of operations here, Commissioner Ely Saul Camarago, has issued instructions to his personnel that only members of the military in uniform or in civilian clothes are to be allowed to carry arms, but by no means travelers carrying special identification or permits granted by military agencies or other government departments. The vast majority of the firearms seized are high-powered pistols and revolvers, as well as daggers, knives and even "sawed-off" weapons. All this material is being held by DISIP at this airport, where it will later be turned over to those concerned, provided they are legally authorized to carry the weapons. These inspections have become intensified during the Christmas season, and on certain occasions they have caused incidents; because many travelers feel "strong" carrying an identity card or permit granted by a military entity or other government agency. We must put a stop to it in this country, so as to reduce the high crime rate. [Text] [Caracas EL UNIVERSAL in Spanish 30 Dec 80 Sec 2 p 16] 2909

CSO: 3010

END

END OF FICHE DATE FILMED

Feb. 3 1981